

***United States Court of Appeals
for the Second Circuit***



**PETITIONER'S
BRIEF**

DOCKET NOS.

74-2098 and 74-2132

ORIGINAL

IN THE
UNITED STATES COURT OF APPEALS
FOR THE SECOND CIRCUIT

DOCKET NOS. 74-2098 and 74-2132

CONTAINAIR SYSTEMS CORPORATION,

Petitioner,

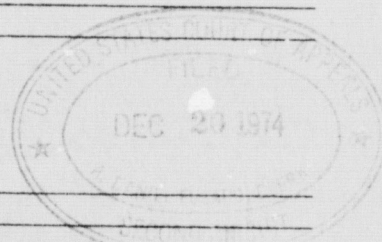
- against -

NATIONAL LABOR RELATIONS BOARD,

Respondent,

ON PETITION TO REVIEW AND SET ASIDE AN ORDER
OF THE NATIONAL LABOR RELATIONS BOARD AND
APPLICATION FOR ENFORCEMENT OF SAME

PETITIONER'S BRIEF



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TABLE OF CONTENTS

	Page
Issue Presented for Review.....	1
Statement of the Case.....	2
Statement of the Facts.....	3
A. The Violent Strike and Secondary Boycott.....	4
B. The Unfair Labor Practice Charges and Consolidated Complaint.....	5
C. The Improvident Settlement.....	8
Argument	
The Board Acted Arbitrarily, Capriciously and Against the Public Interest by Approv- ing the Settlement Stipulation Granting a Non-Admission Clause to Local 295, a Noto- rious Violator of Employers' and Employees' Rights Under the Act.....	12
Conclusion.....	27

II

TABLE OF AUTHORITIES

Cases:	Page
<u>Amalgamated Utility Workers Co. v. Consolidated Edison Co.</u> , 309 U.S. 261, 6 LRRM 669 (1940).....	12,13
<u>Consolidated Edison Co. v. NLRB</u> , 305 U.S. 197, 3 LRRM 646 (1938).....	12
<u>Emery Air Freight Corp. v. Teamsters, Local 295</u> , 449 F.2d 586, 78 LRRM 2466 (2nd Cir. 1971), <u>cert. denied</u> , 405 U.S. 1066, 79 LRRM 3092 (1972), <u>on remand</u> 356 F. Supp. 974, 82 LRRM 2138 (E.D.N.Y. 1972).....	17
<u>Glass Workers, Local 1892 (Frank J. Rooney, Inc.)</u> , 141 NLRB 106, 52 LRRM 1282 (1963).....	21
<u>IUE v. NLRB (Tiidee Prods., Inc.)</u> , 426 F.2d 1243, 73 LRRM 2870 (D.C. Cir.), <u>cert. denied</u> , 400 U.S. 950 (1970).....	25
<u>J.J. Hagerty, Inc.</u> , 139 NLRB 633, 51 LRRM 1349 (1962), <u>enforced in part sub. nom. Local 138, Operating Engineers v. NLRB</u> , 321 F.2d 130, 53 LRRM 2754 (2nd Cir. 1963).....	23
<u>J.P. Stevens & Co.</u> , 190 NLRB 751, 77 LRRM 1333 (1971), <u>remanded sub. nom. Textile Workers Union v. NLRB</u> , 475 F.2d 973, 82 LRRM 2471 (D.C. Cir. 1973) (<u>per curiam</u>).....	23
<u>J.P. Stevens & Co.</u> , 183 NLRB 25, 75 LRRM 1407 (1970), <u>enforced</u> , 461 F.2d 490, 80 LRRM 2609 (4th Cir. 1972).....	23

III

Cases:	Page
<u>NLRB v. General Stencils, Inc., 438 F.2d 894,</u> 76 LRRM 2288 (2nd Cir. 1971).....	25
<u>NLRB v. Operating Engineers, Local 138 (Cafasso</u> <u>Lathing & Plastering, Inc.), 377 F.2d 528, 65</u> LRRM 2215 (2nd Cir. 1967).....	21
<u>NLRB v. Operating Engineers, Local 571 (Layne-</u> <u>Western Co.), 317 F.2d 638, 53 LRRM 2294 (8th</u> Cir. 1963).....	21
<u>NLRB v. Teamsters, Local 295 (Calderon Air Transport),</u> Docket No. 33079 (2nd Cir. 1973).....	17
<u>National Licorice Co. v. NLRB, 309 U.S. 350, 6</u> LRRM 674 (1940).....	12
<u>Phelps Dodge Corp. v. NLRB, 313 U.S. 177, 8 LRRM</u> 439 (1940).....	12
<u>Teamsters, Local 70 (C & T Trucking Co.), 191 NLRB</u> 11, 77 LRRM 1336 (1971).....	21
<u>Teamsters, Local 295 (Air Line Freight, Inc.), NLRB</u> Case No. 29-CC-387 (1974).....	20
<u>Teamsters, Local 295 (Emery Air Freight Corp.), 197</u> NLRB 26, 80 LRRM 1284 (1972), <u>enforced</u> , 82 LRRM 3091 (2nd Cir. 1973).....	17
<u>Teamsters, Local 295 (Jet Air Freight, Copeland</u> <u>Shipping, Inc., Copeland Importing Services,</u> <u>Inc., and Cas Trucking Corp.), NLRB Case Nos.</u> 29-CB-1624-1, 29-CB-1624-2 and 29-CB-1624-3 (1974).....	19
<u>Teamsters, Local 295 (Teamsters, Local 917), NLRB</u> Case No. 29-CB-1554 (1973).....	20

IV

Cases:

Page

Teamsters, Local 295 (R.M.&W. of Broadway, Inc.
and Teamsters, Local 917), NLRB Case Nos.
 29-CP-227 and 29-CP-230 (1973)..... 19

Teamsters, Local 901 (Associated Federal Hotels),
 193 NLRB 591, 78 LRRM 1377 (1971)..... 21

Textile Workers Union v. NLRB (J.P. Stevens & Co.),
 475 F.2d 973, 82 LRRM 2471 (D.C. Cir. 1973)
 (per curiam)..... 25

Textile Workers Union v. NLRB (Roselle Shoe Corp.),
 294 F.2d 738, 48 LRRM 2718 (D.C. Cir. 1961)..... 25

Statutes:

National Labor Relations Act, as amended, §§8(b)(1)(A),
 8(b)(3), 8(b)(4)(B) and 10(c), 29 U.S.C. §§158(b)(1)
 (A), 158(b)(3), 158(b)(4)(B) and 160(c).....passim

Other Authorities:

N.Y. Daily News, March 18, 1970..... 17

Note, The Charging Party Before the NLRB: A
Private Right in the Public Interest,
 32 U. Chi. L. Rev. 786 (1965)..... 13

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ISSUE PRESENTED FOR REVIEW

Did the National Labor Relations Board act arbitrarily, capriciously and against the public interest by approving a settlement stipulation that accorded a "non-admission" clause to a known persistent and flagrant violator of employers' and employees' rights under the National Labor Relations Act, as amended?

STATEMENT OF THE CASE

This case involves a petition for review and an application for enforcement of an order of the National Labor Relations Board (the "Board") issued pursuant to a Settlement Stipulation between the General Counsel of the Board and Local 295, affiliated with International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America ("Local 295" or the "Union").

The controversy arises out of a strike Local 295 called between February 22 and mid-March, 1974, to gain recognition rights over employees of Containair Systems Corporation ("Containair" or the "Company"). From the outset the strike was attended by violence, threats and secondary boycott activities.

As a result of these coercive tactics, Containair filed charges against Local 295 on February 25, 1974, alleging violations of Sections 8(b)(1)(A) and 8(b)(4)(B) (Case Nos. 29-CB-1729 and 29-CC-401) (JA2 and 3)*. On March 6, 1974, the Regional Director for Region 29 of the Board issued a consolidated complaint against the Union. The complaint alleged in broad and sweeping terms the same violations that the charges set forth (JA4).

* Numbers in parenthesis prefixed "JA" refer to pages in the Joint Appendix.

One day later, on March 7, 1974, the Regional Director offered Local 295 a Settlement Stipulation with a "non-admission" clause (JA1). The Union readily accepted the Stipulation on March 12, 1974. Containair vigorously protested but a Board panel consisting of Members Fanning, Kennedy and Pennelo issued an order approving the Stipulation on July 16, 1974 (JA15-39).

On August 13, 1974, Containair filed the petition for review involved herein (Case No. 74-2098). On August 23, 1974, the Board filed an application for enforcement of the order. On August 28, the Court granted that application and entered judgment in Case No. 74-2132. Thereafter, on October 4, 1974, the Board moved to vacate the judgment and to consolidate the two cases, which the Court granted on October 21, 1974.

STATEMENT OF THE FACTS

Containair Systems Corporation is a small company located in Springfield Gardens, New York, which manufactures, sells and distributes collapsible pilfer-proof containairs and related products for use by airlines, freight forwarders and trucking and independent companies to ship cargo and which packs cargo for transport by air (JA35).

A. The Violent Strike and Secondary Boycott

On the morning of February 22, 1974, Local 295 called a strike of Containair's employees and set up picket lines outside Containair's premises in an effort to force the Company to recognize and bargain with it without a Labor Board election. Some employees participated in the strike out of fear of bodily harm from the Union; others, even though threatened with personal injury, refused to join the strike and Containair continued to operate its business (JA9).

Right from the start, the strike teemed with deliberate acts of property damage against Containair and threats to the bodies and lives of Containair's employees and of employees of customers of Containair, such as Emery Air Freight. These acts and threats were committed by officials of Local 295 and by picketing employees of Containair acting under the direction and control of the Union. Part of this reign of terror against Containair included the crudest and most effective form of secondary boycott. The secondary boycott, threats and acts of property damage continued on an almost daily basis from February 22 until mid-March, with pickets stopping pick-up and delivery of Containair by physically blocking ingress to the Company's premises and by orally warning drivers not to cross the picket line, and by attempting to block egress of Containair trucks (JA9-11, 19-20).

B. The Unfair Labor Practice Charges and Consolidated Complaint

As a result of these lawless activities, Containair filed two unfair labor practice charges against Local 295 on February 25, 1974. One charge alleged that Local 295 or its agents violated Section 8(b)(1)(A) of the Act by "restraining and coercing employees in the exercise of the rights guaranteed in Section 7 of the National Labor Relations Act, as amended" (JA2). The other charge alleged that Local 295 or its agents violated Section 8(b)(4)(B) by "engaging in, or inducing or encouraging any individual employee [sic] by any person engaged in commerce or in an industry affecting commerce to engage in, a strike or a refusal in the course of his employment to use, process, transport or otherwise handle or work on any goods, articles, materials, or commodities or to perform any services, and...[by] threatening, coercing or restraining persons engaged in commerce or in an industry affecting commerce where in either case an object thereof is to force or require Emery Air Freight Corp. and others to cease using, handling, transporting or otherwise dealing in the products of Containair Systems Corporation" (JA3).

That same day, Local 295 filed a representation petition seeking to be certified as the exclusive bargaining representative of Containair's production and maintenance employees and drivers (Case No. 29-RC-2581) (JA1).

On March 6, 1974, after completing an extensive investigation, Regional Director Samuel M. Kaynard issued a consolidated complaint against Local 295, which detailed the following conduct of the Union and its agents in violation of Sections 8(b)(1)(A) and 8(b)(4)(i) and (ii)(B):

"10. On or about February 22, and March 1, 1974, and at various other dates presently unknown during the period from February 22, to March 1, 1974, Respondent, by its agents and pickets, Eddie Lunsford, George Billops and Lonnie Gentry, and by other persons acting in its behalf, threatened various employees and supervisors of Containair to inflict bodily injury and other harm to their persons, and threatened to inflict damage to their property with an object to induce the said employees of Containair to support and assist Respondent, and not to cross the picket line established by Respondent at Containair's plant as described above in paragraph 9.

"11. On or about February 25 and 26, 1974, and on other dates presently unknown in February and March, 1974, Respondent, in furtherance of its dispute with Containair, as described above in paragraph 8, above by Mickey Hunt, its Business Agent, encouraged and induced, ordered, requested, urged, instructed and directed its members employed by Emery at the JFK facility not to work on or otherwise handle freight or material received from Containair.

"12. In furtherance of Respondent's dispute with Containair, as described above in paragraph 8, Respondent's members employed by Emery at the JFK facility, pursuant to the instructions issued to them by Respondent, as described in paragraph 11, above, from February 25 through 28, 1974 engaged in a work stoppage and a concerted refusal to work on, or otherwise handle, freight or products received from Containair.

"13. On or about February 22, and 25 through 28, 1974, and on various other dates presently unknown, Respondent, by Mickey Hunt and Jack Moran, its Business Agent and Shop Steward, respectively, and its agents, threatened, coerced and restrained Emery and other persons engaged in commerce and in industries affecting commerce by the conduct described above in paragraphs 11 and 12, and by threatening Emery with labor problems, and by threatening Emery that it would not permit its members employed by Emery at the JFK facility to work on, or otherwise handle, products received from Containair, if Emery continued to use and handle Containair's products, or if Emery continued to do business with Containair.

"14. Respondent, by the acts and conduct described in paragraphs 11 and 12 above, has engaged in, and has induced and encouraged individuals employed by Emery, and by other persons engaged in commerce or in industries affecting commerce, to engage in strikes or refusals in the course of their employment to use, manufacture, process, transport or otherwise handle or work on goods, articles, materials, or commodities, or to perform services for their respective employers.

"15. Respondent, by the acts and conduct described in paragraphs 11 through 13 above, has threatened, coerced and restrained Emery, and other persons engaged in commerce or in industries affecting commerce.

"16. Respondent engaged in the conduct described above in paragraphs 11 through 15, in furtherance of its dispute with Containair, as described above in paragraph 8, and with an object to force and require Emery and other persons to cease using, selling, handling, transporting, and otherwise dealing in the products of Containair and to cease doing business with Containair." (JA4, 9-11).

Regional Director Kaynard also issued a Notice scheduling a hearing in the matter for April 10, 1974 (JA4).

C. The Improvident Settlement

On March 7, 1974, one day after issuing his broad sweeping complaint against Local 295, Regional Director Kaynard offered the Union a Settlement Stipulation with a "non-admission" clause stating that "the signing of this stipulation by the Respondent does not constitute an admission that it has violated the Act" (JA25, 29). The Stipulation also provided for cessation of certain specified unlawful conduct, entry of a consent order by the Board and a consent judgment by any appropriate United States Court of Appeals and waiver by any party to the Stipulation of "the filing of answer, hearing, Administrative Law Judges' Decisions, the filing of exceptions and briefs, oral argument before the Board, the making of findings of fact or conclusions of law by the Board, and all further and other proceedings to which the parties may be entitled under the Act or the Board's Rules and Regulations" (JA27-29).

Obviously seizing the opportunity to avoid any culpability for the coercive and violent acts committed at Containair and Emery Air Freight, Local 295 signed the Settlement Stipulation on March 12, 1974 (JA30).

By letter dated March 18, 1974, Containair's counsel stated the Company's total opposition to any settlement that did not require Local 295 to admit its guilt. This opposition was grounded on Local 295's marked proclivities toward unlawful conduct and the vital need of Containair's employees to receive

from official sources a truthful picture of the Union's unlawful conduct in this case and the extent to which that conduct hurt them, since Local 295 had filed a petition to represent them. Containair also objected to the failure of the Stipulation and attached Notice to specify, by tracking the language from paragraph 10 of the consolidated complaint, exactly how and why Local 295 and some Containair employees, by name, violated the Section 7 rights of the Company's other employees. Furthermore, Containair's counsel pointed out that an evidentiary hearing was necessary solely with regard to the Section 8(b)(1)(A) aspects in order to (1) discover the full scope of Local 295's violative activities, (2) establish the guilt of the three Containair employees the consolidated complaint named as engaging in unlawful acts of gross misconduct, (3) determine the identity of the "other persons acting in [Local 295's] behalf" who committed the same unlawful acts as those employees and (4) determine the identity of the individuals responsible for certain incidents of serious misconduct that were not set forth in the consolidated complaint but were detailed in affidavits to the Regional Office (JA15-20).

On March 22, 1974, Regional Director Kaynard informed Containair's counsel by letter that "the Region is still of the opinion that the inclusion of a non-admission clause in the Stipulation is proper because it in no way affects the efficiency of the Board Order or Court decree which would be sought in this case, or any other outstanding orders or decrees against

Local 295, I.B.T." Mr. Kaynard stated that the Region did not believe a hearing on the merits is required and that the Region would modify the Stipulation and Notice only to the limited extent of adding some more specific language regarding the Section 8(b)(1)(A) violations alleged in the consolidated complaint. As to these modifications, Mr. Kaynard stated that Local 295 had given its consent (JA21-22).

On April 1, 1974, Containair's counsel sent Regional Director Kaynard a letter opposing the modified Stipulation for the same reasons spelled out in the March 18 letter, except to the limited extent the modified Stipulation met Containair's prior objections. In addition, counsel urged the Regional Director to schedule an evidentiary hearing to discover the extent and scope of Local 295's 8(b)(1)(A) and 8(b)(4)(B) activities (JA23-24).

On April 4, 1974, Regional Director Kaynard issued an order cancelling the hearing on the consolidated complaint scheduled for April 10, 1974 (JA1).

The Office of the General Counsel approved the modified Stipulation on April 30, 1974 (JA30) and on May 2, 1974, Peter G. Nash, the General Counsel of the Board, advised Containair's counsel that he had submitted the Stipulation to the Board with the recommendation that the Board approve it and issue the appropriate order (JA32).

By letter to the Board dated May 9, 1974, Containair's counsel affirmed the Company's objections to the modified Stipulation on the grounds set forth in the letters of March 18 and April 1, 1974, and requested a hearing on those objections (JA33).

On July 16, 1974, a Board panel issued a Decision dismissing Containair's objections and request for a hearing on those objections and approving the terms of the Stipulation, which it incorporated in its accompanying Order (JA34-39). The panel found that approval of the Stipulation "will effectuate the policies of the Act" since they believed that "the Stipulation fully remedies the allegations of the complaint, providing as it does for the entry of a formal Board Order and a consent Court Judgment," (JA36, fn1). Referring specifically to the non-admission clause, the panel merely stated:

"Concerning the nonadmissions provision, the General Counsel and the Regional Director advised the Charging Party that the provision did not affect the efficiency of the Board Order or Court Judgment, and thus represented no impediment to enforcement thereof." (JA35, fn 1).

The Board panel, like the General Counsel and the Regional Director, did not address itself to the public interest considerations Containair raised for denying Local 295 the non-admission clause -- the Union's shameful public record of contemptuous disdain for employers' and employees' statutory rights and the organizational context within which the Union's violent and extortionary tactics occurred.

Additional facts appear in the Argument.

A R G U M E N T

THE BOARD ACTED ARBITRARILY, CAPRICIOUSLY AND AGAINST THE PUBLIC INTEREST BY APPROVING THE SETTLEMENT STIPULATION GRANTING A NON-ADMISSION CLAUSE TO LOCAL 295, A NOTORIOUS VIOLATOR OF EMPLOYERS' AND EMPLOYEES' RIGHTS UNDER THE ACT

Section 10(c) of the National Labor Relations Act, as amended, empowers the Labor Board to redress unfair labor practices by "an order requiring such person [committing the unfair labor practice] to cease and desist from such unfair labor practice, and to take such affirmative action...as will effectuate the policies of this Act...." The power of the Board to command affirmative action "is to be exercised in aid of the Board's authority to restrain violations and as a means of removing or avoiding the consequences of violation where those consequences are of a kind to thwart the purposes of the Act." Consolidated Edison Co. v. NLRB, 305 U.S. 197, 236, 3 LRRM 646, 655 (1938).

Moreover, since "[t]he Board asserts a public right vested in it as a public body, charged in the public interest with the duty of preventing unfair labor practices", the Board has an overriding obligation to accept only those settlements which fully protect, enforce and vindicate the public rights and interest, National Licorice Co. v. NLRB, 309 U.S. 350, 364, 6 LRRM 674, 681-682 (1940); Phelps Dodge Corp. v. NLRB, 313 U.S. 177, 192-193, 8 LRRM 439, 445 (1940); Amalgamated Utility Workers

Co. v. Consolidated Edison Co., 309 U.S. 261, 6 LRRM 669 (1940);
Note, The Charging Party Before the NLRB: A Private Right in the
Public Interest, 32 U. Chi. L. Rev. 786, 799, n. 74 (1965).

In the instant case, the Board's approving the settlement without Local 295's admission of wrongdoing fails to safeguard the public interest. The Board's basic error is that it myopically views the Union's violent and destructive strike and secondary boycott as a violation of the Act that may be remedied without considering Local 295's disgraceful public record of similar violations and without considering the organizational context in which the Union's violations took place.

The Board ignored the fact that Local 295 did not launch its violent attack against Containair's employees, Containair's supervisors and Containair itself in a vacuum. The Union threatened Containair's employees and supervisors with bodily harm, blocked the entrances to and exits from Containair's plant, slashed tires, cut gas lines and air hoses, pulled down the gate enclosing Containair's tractor trailers and threw rocks at Containair's employees in a deliberate and wanton attempt to force the employees to join and support the Union as part of its organizational campaign. In addition, the Union threatened and coerced Emery Air Freight, other companies that deal with Containair and employees of those companies in order to force them to cease using, handling, transporting or otherwise

dealing with Containair's products and thereby intensify the pressure on Containair to accede to the Union's recognitional demands. If the Union is not compelled to admit that it violated the Act by the reign of terror its organizational picketing was designed to and did engender, then the employees whose rights the Union violated will be denied the truth as to whether the Union can threaten them with impunity. Such truth may be brought to light for these employees only if Local 295 admits its guilt, or is found guilty after a trial. The employees must have such truth before they vote in an election on whether or not they want this Union to represent them, if the effect on them of the Union's violent organizational activities is to be remedied in a meaningful fashion.

The Board also ignored the highly significant fact that Local 295 is no ordinary violator of the Act. Local 295 has long displayed a penchant for engaging in, to the detriment of employers, employees and even sister unions, the same violent and coercive tactics it employed at Containair. In 1967, the New York State Investigation Commission ("SIC") uncovered an "insidious arrangement" between Local 295 and a gangster-dominated trucking association to wrest control of the air-freight business at Kennedy International Airport by putting the "squeeze" on labor, trucking companies and the airlines. On March 18, 1970, the New York Daily News in the

third part of a series "detailing rampant crime and criminal influence at Kennedy Airport" focused on Local 295 and the SIC investigation:

"[Myles L. Lane, the Commission chairman] said that associates of Johnny Dio and Anthony (Tony Ducks) Corallo, another Mafia hood, most recently involved in the Marcus scandal, had moved 'into key positions' in both the union [Local 295] and truckers' association at Kennedy.

"The truck-owners' group at that time was the Metropolitan Import Truckmen's Association, an influential figure in which was Anothny (Hickey) DiLorenzo, a younger member of the national crime syndicate. He was on the association's pad as a \$25,000-a-year 'consultant'.

"From this position, he was able to exercise great influence in the association and to put other hoodlums and questionable characters on the association payroll,' Lane said.

"'It became quite evident that the Teamsters Union Local 295 under [Harry] Davidoff and the Metropolitan Import Truckmen's Association under DiLorenzo were working together as a hammer and anvil between which both management and labor were being hammered and squeezed.'

"This 'insidious arrangement', Lane went on, put Kennedy's air-freight industry 'under virtual control of the ex-convicts and racketeers' who ruled the local and association alike.

"As a result, the SIC head charged, one trucking company was subjected 'to illegal boycotts' by Local 295 and a number of its trucks were sabotaged 'in a manner endangering the lives of the drivers and the public.'

"'Because of threats, boycotts and work stoppages, this company lost lucrative shipping contracts with two major airlines. Here Davidoff had virtually dictated the selection of truckers by major airlines.'

The article continued as follows:

"Another trucking executive cited 'innumerable' acts of sabotage suffered by his company's trucks. On just one occasion, tires were slashed on 18 vehicles and the windshields broken. These wanton acts were 'part of a pattern to impose control at the airport,' Lane said.

"According to a one-truck little businessman, Local 295 lifted his union book, after which 295 members boycotted him and he couldn't make pickups or deliveries at Kennedy. Lane called it 'another example of an obvious squeeze to force a trucker into the association.'

"Still another company testified in effect, that a \$5,000 initiation fee and \$1,000 monthly dues had to be paid to MITA 'to facilitate its airport operations.'

"And there was startling evidence, Lane pointed out, that one of the nation's largest trucking companies had been driven into bankruptcy 'as a result of racketeer influence and control.'" N.Y. Daily News, March 18, 1970 at 3, col. 4-5 and at 60, col. 1. (A copy of the entire series is appended at the end of the brief).

An examination of Labor Board and court cases involving Local 295 within the last three years plainly reveals that the Union's proclivities toward unlawful conduct have not changed. Thus, in Teamsters, Local 295, (Emery Air Freight Corp.), 197 NLRB 26, 80 LRRM 1284 (1972), enforced, 82 LRRM 3091 (2nd Cir. 1973), the Union, in violation of Section 8(b)(3), insisted that Emery Air Freight sign a collective bargaining agreement that contained terms and conditions different from those on which the parties had agreed and struck Emery in support of its contract demand. See Emery Air Freight Corp. v. Teamsters Local 295, 449 F.2d 586, 78 LRRM 2466 (2nd Cir. 1971), cert. denied, 405 U.S. 1066, 79 LRRM 3092 (1972), on remand 356 F. Supp. 974, 82 LRRM 2138 (E.D.N.Y. 1972), which involved preliminary injunction and contempt proceedings arising out of Local 295's strike.

In NLRB v. Teamsters, Local 295 (Calderon Air Transport), Docket No. 33079 (1973), this Court adjudged Local 295 in civil contempt for violating a judgment entered against the Union on December 31, 1968. The Court ordered the Union, its officers and agents to purge themselves by, among other things,

"A. Henceforth conducting themselves in all respects consistent with the said judgment of December 31, 1968; and they shall not in any way, by action or inaction, commit, engage in, induce, encourage, permit or condone any violation of the said judgment; specifically they shall not (1) picket or station pickets at or in the vicinity of the premises of Trans-Air Freight System, Inc., or at or in the vicinity of the premises of any other person engaged in commerce or in an industry affecting commerce, doing business with Calderon Air Transport, Inc.; or (2) in any manner or by any means threaten, coerce or restrain Trans-Air Freight System, Inc., Trans-Air Import, Inc., Schenkers International Forwarders Inc., Alltransport Warehousing and Packing Corp., or any other person engaged in commerce or in an industry affecting commerce; or (3) induce or encourage any individual employed by any person engaged in commerce or in an industry affecting commerce to engage in a strike or a refusal in the course of his employment to use, manufacture, process, transport or otherwise handle or work on any goods, articles, materials or commodities or to perform any services for any person engaged in commerce or in an industry affecting commerce,

"Where an object of such picketing or the other aforesaid acts and conduct is to force or require these persons or any other person to cease doing business with Calderon Air Transport, Inc. or where an object thereof is to force or require Calderon Air Transport, Inc. to recognize or bargain with Local 295 unless and until Local 295 has been certified as the representative of Calderon Air Transport's employees under the provisions of Section 9 of the National Labor Relations Act."

However, the Court entered the contempt adjudication pursuant to a stipulation between the Board and Local 295 that contained the following provision:

"This stipulation and order hereto annexed shall be effective only as between the parties hereto and only in a proceeding in which or to which the

Board or the General Counsel is a party, and shall not be deemed as an admission constituting evidence in any proceeding to which the Board or General Counsel is not a party."

In Teamsters, Local 295 (Jet Air Freight, Copeland Shipping, Inc., Copeland Importing Services, Inc., and Cas Trucking Corp.), NLRB Case Nos. 29-CB-1624-1, 29-CB-1624-2 and 29-CB-1624-3 (1974), the Board adopted the finding of Administrative Law Judge Leonard M. Wagman that Local 295 restrained and coerced certain clerical employees of four affiliated companies in violation of Section 8(b)(1)(A) by gaining recognition over those employees through pressure of picketing and of the threat of a strike and by entering into a collective bargaining agreement for those employees containing a union shop clause and a dues checkoff provision, all at a time when a real question concerning representation of those employees existed.

In three other cases, moreover, the Board issued complaints against Local 295, but, as in the case at bar, later settled them by a stipulation according the Union a non-admission clause. Teamsters, Local 295 (R.M.&W. of Broadway, Inc. and Teamsters, Local 917), NLRB Case Nos. 29-CP-227 and 29-CP-230 (1973) (Local 295 engaged in picketing in an attempt to force and require R.M.&W. and an affiliated company to recognize and bargain with the Union for certain of their employees and to force those employees to accept and select Local 295 as

their collective bargaining agent at a time when R.M.&W. was lawfully recognizing Local 917 for those employees and thus a question concerning their representation could not then appropriately be raised); Teamsters Local 295 (Teamsters, Local 917), NLRB Case No. 29-CB-1554 (1973) (Local 295 entered into and maintained a collective bargaining agreement with R.M.&W. of Broadway at a time when the Union did not represent an uncoerced majority of employees covered by the agreement and R.M.&W. was obligated to recognize and bargain with Local 917 as the collective bargaining agent of those employees. Moreover, pursuant to the terms of the labor agreement, Local 295 exacted and coerced covered employees to pay monies to it as a condition of employment); Teamsters, Local 295 (Air Line Freight, Inc.), NLRB Case No. 29-CC-387 (1974) (Local 295 engaged in a secondary boycott against Air Line Freight because Air Line Freight was not a party to a collective bargaining agreement with the Union and because Air Line Freight's drivers and drivers' helpers were members of or represented by Teamsters, Local 470 and not Local 295).

In the last case, the Board issued the following broad, restrictive order requiring Local 295 to cease and desist from:

(a) "In any manner or by any means, including strikes, work stoppages, picketing, threats, orders, directions, instructions, requests or appeals, however given, made or imparted, or by any like or related acts or conduct, or by permitting any such to remain in existence or effect, engaging in, or inducing or encouraging any individual employed by Profit

By Air, Inc., Air Express International Corporation a/k/a Wings & Wheels, Emery Air Freight Corp., WTC Air Freight Inc., Airborne Freight Corporation, or by any other person engaged in commerce or in an industry affecting commerce, to engage in a strike, work stoppage, or a refusal in the course of his employment to use, transport, or otherwise handle or work on any goods, articles, materials or commodities or to perform any services, or in any manner or by any means, threatening, coercing or restraining Profit By Air, Inc., Air Express International Corporation a/k/a Wings & Wheels, Emery Air Freight Corp., WTC Air Freight Inc., Airborne Freight Corporation, or any other person engaged in commerce or in an industry affecting commerce, where in either case an object thereof is to force or require Profit By Air, Inc., Air Express International Corporation a/k/a Wings & Wheels, Emery Air Freight Corp., WTC Air Freight Inc., Airborne Freight Corporation, or any other person, to cease doing business with Airline Freight Inc., or any other person." (emphasis added)

This is noteworthy since the Board issues such broad remedial orders only when "a proclivity to violate the Act is established, either by the facts within a particular case, or by prior Board decisions against the respondent at bar based upon similar unlawful conduct in the past." Teamsters, Local 70 (C & T Trucking Co.), 191 NLRB 11, 77 LRRM 1336, 1337 (1971). See NLRB v. Operating Engineers, Local 138 (Cafasso Lathing & Plastering, Inc.), 377 F.2d 528, 530, 65 LRRM 2215 (2nd Cir. 1967) and cases cited therein; NLRB v. Operating Engineers, Local 571 (Layne-Western Co.), 317 F.2d 638, 644, 53 LRRM 2294, 2297-2298 (8th Cir. 1963); Teamsters, Local 901 (Associated Federal Hotels), 193 NLRB 591, 598-599, 78 LRRM 1377, 1378-1379 (1971); Glass Workers, Local 1892 (Frank J. Rooney, Inc.), 141 NLRB 106, 107, 52 LRRM 1282, 1284

(1963). But even more important, about a month after the Board issued that broad, restrictive cease and desist order Local 295 engaged in the very same secondary boycott tactics that order proscribed, this time accompanied by threats to employees and property damage at Containair.

All of the foregoing leaves no doubt that by permitting Local 295 to escape formally admitting that it is guilty of the unfair labor practices the consolidated complaint alleges, the settlement not only fails to protect the public interest; it operates in a real sense so as to be counter-productive and actually rewards this persistent wrongdoer during the critical period in which the Union is attempting to organize Containair's plant.

Local 295 has had its chance, not once but six times in the past three years alone, voluntarily to comply with Board and court orders. Broad orders, like those in Air Freight and this case, obviously mean nothing to it. The Union violates them at will. Special measures are therefore necessary to deter Local 295 from its persistent course of unlawful conduct and thus to safeguard the public interest. We submit that the way to make Local 295 abide by the law is to require it to confess its obvious guilt or undergo a hearing determining its guilt.

The Board itself has recognized the need to go beyond standard cease and desist orders to provide more effective remedies

in circumstances where, as here, there is a pattern of continuing violations. J.J. Hagerty, Inc., 139 NLRB 633, 51 LRPM 1349 (1962), enforced in part sub. nom. Local 138, Operating Engineers v. NLRB, 321 F.2d 130, 53 LRRM 2754 (2nd Cir. 1963); J.P. Stevens & Co., 183 NLRB 25, 75 LRRM 1407 (1970), enforced, 461 F.2d 490, 80 LRRM 2609 (4th Cir. 1972); J.P. Stevens & Co., 190 NLRB 751, 77 LRRM 1333 (1971), remanded sub. nom. Textile Workers Union v. NLRB, 475 F.2d 973, 82 LRRM 2471 (D.C. Cir. 1973) (per curiam).

J.J. Hagerty, Inc., supra, involved a union that persisted in running a discriminatory hiring hall. Because of the union's history of continuing violations of the Act and the apparent ineffectiveness of the Board's prior remedial orders, the Board ordered the union to take the unusual steps of (i) setting up a non-discriminatory hiring and referral system in conjunction with and under the supervision of the Board's Regional Director and (ii) maintaining permanent records subject to his inspection for one year. In explaining the need for the special remedial measures, the Board said:

"Since the issuance of our decision in the original Nassau case, supra, Local 138 of the Operating Engineers has been repeatedly a respondent in this forum. Despite past Board orders and enforcement decrees of the Second Circuit Court of Appeals, this Union and its officers, since 1957 and continuing intermittently until the date of the hearing herein, have, inter alia, operated a discriminatory hiring and referral system and have discriminated in job referrals against these same individuals in the reform group.

"The Board's past remedial orders have apparently proved ineffective, and in view of the repeated and similar nature of the violations, we deem it necessary and proper to invoke special remedial measures to obtain a twofold objective, i.e., to insure that the Respondent Union operates a nondiscriminatory hiring and referral system, and that the individuals herein are not discriminated against in the future." 139 NLRB at 638

On review, this Court sustained the recordkeeping requirements in view of the union's pattern of persistent discrimination in the operation of its hiring hall but refused to enforce the other unusual directive since, in its opinion, representatives of the Board should not be injected into the procedures by which a hiring and referral system is set up.

A comparison of Local 295's flagrant violations of the Act, and of Board and court orders designed to insure compliance with them, with the circumstances of the cases just cited and discussed reveals with crystal clarity that the Board itself has recognized that Local 295's conduct is of a type necessitating the imposition of extraordinary remedies to vindicate the public interest. Yet the Board cavalierly ignored its own precedents, without any articulated justification, when it authorized unilateral settlement of the complaint in this case without an admission of guilt by Local 295. Under these circumstances the Court must set aside the Board's order under review and remand to the Board either to settle this case only with inclusion of an admission clause or to distinguish its own precedents and

articulate, complete and adequate reasons fully supporting the conclusion that such a clause need not be included. See Textile Workers Union v. NLRB (J.P. Stevens & Co.), 475 F.2d 973, 82 LRRM 2471 (D.C. Cir. 1973) (per curiam); NLRB v. General Stencils, Inc., 438 F.2d 894, 905, 76 LRRM 2288, 2296 (2nd Cir. 1971), where Judge Friendly said, "While the Board has wide discretion in framing remedies, the agency has a correlative duty to explain its imposition of a remedy in one case and its failure to do so in a seemingly similar - or even stronger - one on a basis reviewing courts can understand"; IUE v. NLRB (Tiidee Prods., Inc.), 426 F.2d 1243, 73 LRRM 2870 (D.C. Cir.), cert. denied, 400 U.S. 950 (1970); Textile Workers Union v. NLRB (Roselle Shoe Corp.), 294 F.2d 738, 48 LRRM 2718 (D.C. Cir. 1961).

In Textile Workers Union v. NLRB (J.P. Stevens Co.), supra, the Court of Appeals for the District of Columbia Circuit remanded an order against J.P. Stevens & Co. for further consideration because the Board did not fully and adequately explain why the company's long history of unfair labor practices did not justify the broader relief the Textile Workers had requested. In so holding the court said:

"The package of remedies chosen by the Board in this case may be entirely appropriate, or at least within the rather wide limits of its discretion. There is no question that the Board has the power to take J.P. Stevens' history of recalcitrance into account in designing its order. Indeed, it has an obligation to do so. See N.L.R.B. v. J. H. Rutter-Rex Mfg. Co., 396 U.S. 258, 90

S. Ct. 417, 24 L. Ed. 2d 405 (1969); International Union of Electrical Workers v. NLRB, 426 F.2d 1243 (1970).

"But the Board's reasons for its choice of remedies in this case are at least incomplete, and potentially inconsistent. This is no minor problem. It forces us to choose between a de novo selection of an appropriate set of remedies and an uncritical acceptance of the Board's choice. Neither of these approaches would comport with the command of the National Labor Relations Act. Although the courts will not lightly interfere with Board orders, the Board is under a complementary obligation to set forth in rational fashion the relationship between the case and the remedy it orders.

"The Board failed to explain why J.P. Stevens' history of unfair labor practices does not warrant the broader relief that the Union has requested. It chose instead to explain a case that was not before it: one in which a history of many years of obstinance was lacking. Accordingly, the petition for review is granted, and the case is remanded to the Board for further proceedings not inconsistent with this opinion." 475 F.2d at 976, 82 LRRM at 2473.

The Board's failure to articulate reasons for granting Local 295 a non-admission clause over Containair's strenuous objections likewise justifies denying enforcement to the Board's order in this case.

CONCLUSION

For the foregoing reasons, this Court ought to grant the Company's petition to review and set aside the order of the National Labor Relations Board and deny the Board's petition for enforcement of its order.

Respectfully submitted,

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Irving Brand

JFK—Open City
for the Mafia

The following report on the activities of organized crime at John F. Kennedy Airport in Queens is the first of a series compiled by a team of News investigative reporters consisting of Gerald Kessler, Kermit Jaediker and Henry Lee.

(Continued from page 1)

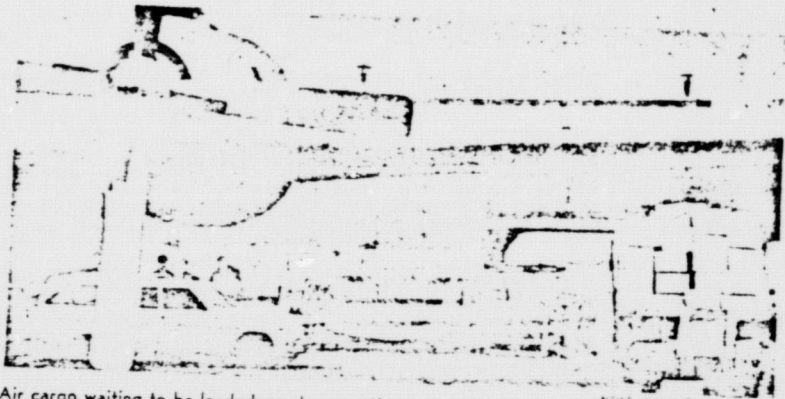
HARRY DAVIDOFF is 53, a short man with a big voice. He has brown hair and brown eyes and a fair complexion and wears glasses and looks like an accountant. He lives in a brick splitlevel in Roslyn, L.I., and has two cars, a Jaguar convertible and a Cadillac. Friend wife uses the Jag. Davidoff drives to work in the Caddy.

He is secretary-treasurer of a Teamsters Union local whose members drive air freight trucks in and out of John F. Kennedy International Airport, and his salary runs around \$45,000 a year. His union is one of several unions at the airport, but it is the largest. One snap of Davidoff's fingers and the biggest air cargo terminal in the world would shut down tight.

That's a lot of power for one man, especially a man of his record. Law enforcement intelligence men say Davidoff is Johnny Dio's man at the airport. That could be an exaggeration, but this is for sure—Davidoff and Johnny Dio have had a long and close association. And Johnny Dio is Mafia.

At 49, John (Sonny) Franzese is a self-made multimillionaire. He is big, burly, bull-necked, moody, short-tempered. He lives half a dozen blocks from Davidoff, on plush Shrub Hollow Road in Roslyn Heights. He lives in continual terror of being ambushed and when he moved into his new home, he

The Mob carves \$7 million a year out of Kennedy



Air cargo waiting to be loaded on planes at Kennedy Airport is protected from the elements by a plastic sheet, but is left virtually without protection from any would-be thieves in the area.

wouldn't allow a shrub to be planted because shrubs can hide gunmen.

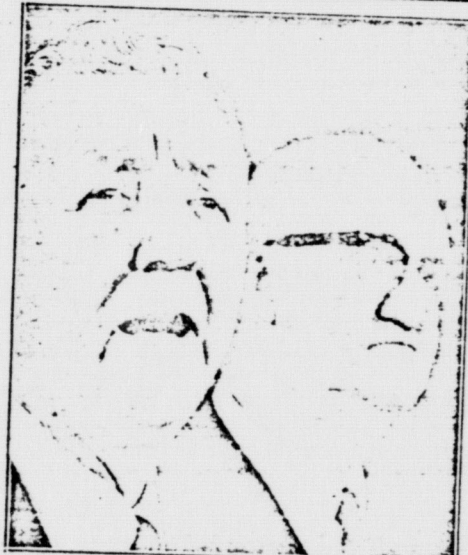
However, with all the fancy landscaping in the neighborhood, his wife complained long and hard for greenery and finally Sonny relented and \$5,000 worth of it was planted. But Sonny never passes those shrubs, night or day, without giving them a thought.

Sonny's business is highly diversified. Among other things, according to official records, he reportedly runs a hi-rack mon, of which cargo at Kennedy Airport is a prime target. Even more importantly, he is said to be the Mafia's chief armorer. This is not

to imply that the Mafia manufactures its guns. Many, including the high-velocity Luger, reportedly come from crates surreptitiously opened at JFK.

In all, the Mafia has 30 topflight agents working in and around the great sprawling airport at the southeast corner of Queens and above these agents, above Franzese, above Dio himself, is Carlo Gambino, boss of bosses of the national crime syndicate. He doesn't look the part. He's a short, thin, frail, gray-haired man of 70, wears cheap clothes and looks like

(Continued on page 40)



Capt. Joseph O'Hare (left), president, and Willard Quirk, secretary-treasurer of union, announce rejection of offer.

Tugmen Reject Pact Offer & 6-Week Strike Goes On

By MICHAEL HANRAHAN

Defiantly shouting "not enough money," nearly 4,000 striking tugboat workers yesterday rejected an offer of a 39% increase in wages over the next three years.

The action continues the walk-out, which has curtailed regular harbor traffic throughout the Port of New York for six weeks.

The strike, which began on Feb. 1, has resulted in huge increased operating expenses to a number of local industries because of the high cost of trucking materials and products overland in place of the relatively lower cost barge shipments.

Capt. Joseph O'Hare, president of the Guildmen's National Maritime Union, Local 121, said after the rejection that he expected the strike to last "several more weeks."

The proposed contract, which had been presented to the membership without any comment by the union leadership, also provided an additional 4% contribution.

The men, who operate 400 tugs

and barges receive an average of \$17 to \$24 for a 24-hour period under the present contract. However, the tug men get a week off—without pay—for every week they work.

What Men Asked

The union originally demanded a 100% increase in wages, to offset the non-pay periods.

The rejection of the offer from the Marine Towing and Transportation Employers Association meeting held at noon yesterday in the union's hiring hall at Seventh Ave. and W. 12th St.

Many of the union members spoke out against ratification of the offer during the meeting.

Ernie Orland, a 30-year-old

mate for the Great Lakes Towing Co., called upon the membership to hold out for more money, because the strike could now have a greater economic impact on the tug operators because of the warming weather.

Orland stressed that there would be additional business lost from construction outfits which usually need supply shipments to keep pace with building contracts.

"In addition," said Orland, "the Erie Barge Canal, which represents third of the local towing business, is now ready to reopen after the spring thaw."

The strike has also caused inconvenience to seagoing passengers and cargo ships, which have been forced to dock unladen.

Townhouse Yields Bits of Bodies

By DANIEL O'GRADY

Bits and pieces of bodies were recovered yesterday from the bombed ruins of a once-lovely Greenwich Village townhouse, but authorities believe they were parts of torsos already found, rather than a new victim.

The fragments—some appeared to be part of a head—were turned over to Associate Medical Examiner Elliot Gross, who was conducting an autopsy on a male torso discovered Saturday at the reputed "bomb factory" at 14 W. 11th St.

Only one of the three who died in the dynamite explosions of

March 8 has been identified: Theodore Gold, 23, member of the revolutionary Weatherman faction of the Students for a Democratic Society and a leader in the 1968 Columbia revolt.

There have been persistent reports that a young woman's torso was that of Pat Swinton, 22,

wanted by federal authorities in last fall's bomb plot here. But police say they have no proof of this.

Yesterday at 1 p.m., as homicide men and local squad members sifted the debris, work was called when Assistant Fore

(Continued on page 20, col. 1)

Pupil Records Called A Threat to Privacy

The record-keeping practices of most public schools "constitute a serious threat to individual privacy," according to a report released yesterday by the Russell Sage Foundation.

The report, resulting from a conference of 20 experts on the ethical and legal aspects of school record keeping, noted that schools often collect information about pupils or parents without their consent and make this data available to outsiders.

"Virtually all school systems maintain extensive pupil records

containing a pupil's attendance and achievement record, test scores, personality data, information on family background and current status, health data, teacher and counselor observations, anecdotal records, and so on," said the conference chair-

(Continued on page 12, col. 3)

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Amputee's a Soft Touch for the Mob

Amputee's a Soft Touch for the Mob

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ST. LOUIS, Mo. (UPI) - The latter strike

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Top Mobster at JFK:

'I'm All for a Cleanup'

Harry Davidoff is a labor statesman who does things in style. His union headquarters at 179-30 119th Ave., Jamaica, Queens, is a handsome, severely-modern building of expensive gray stone which is expensively furnished inside. There's even a sauna where the bespectacled, 53-year-old Davidoff can sweat out the cares of high office.

And why shouldn't he wheel-deal in style? Local 295, International Brotherhood of Teamsters, dominates the air freight industry at the world's biggest air cargo terminal, John F. Kennedy International Airport, and Davidoff, as the \$15,000-a-year secretary-treasurer, is the boss of the operation.

Owner of an expensive split-level in Roslyn, L.I., and garage space to accommodate both a Cadillac and a Jaguar, Davidoff has come a long, prosperous way from his bullet-garnished salad days in Brooklyn's tough Brownsville district.

Then he was known as "Little Gangie," distinguishing him from brother William, who was "Big Gangie."

This union statesman who to a large degree guides the destinies of Kennedy's air freight industry has a record dating back to 1933.

(© 1970 by News Syndicate Co., Inc.)

Included are convictions for burglary, conspiracy to extort and gambling, plus arrests for felonious assault with a knife, gun possession, grand larceny, robbery and extortion.

According to the State Investigation Commission, he was linked early "in his criminal career" with Murder Inc., the fearsome Brooklyn thugs of the late 1930s.

In 1957, when the U.S. Senate racketeering committee dug into the notorious labor racketeering situation, Harry Davidoff was in-

cluded as secretary-treasurer of Teamsters Local 295, described by the committee as a "paper" local thought up by John (Johnny Dio) DiCarlo, the Mafia's leading authority on labor racketeers.

The Senate committee charged that Davidoff had negotiated "sawtooth contracts," allowing no benefits to the helpless workers, and had caused down employers for protection against legitimate unions. Davidoff fearfully took the Fifth Amendment 14 times when questioned by the committee.

A decade later, when the State Investigation Commission took a crack at him, he had progressed from the "paper" local to Local 295, whose 3,500 truck drivers practically control the passage of air freight at Kennedy.

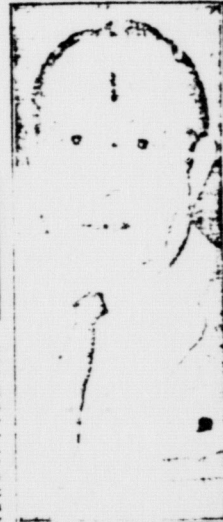
"I'm not ready to give no testi-

Third in a series detailing rampant crime and criminal influences at Kennedy Airport, by Joseph Martin, Edward Kirkman, Gerald Keeler, Kermit Jaskier and Henry Lee.

mony," he firmly told SIC. "I'm not represented by an attorney and I can't answer no questions."

However, from less lipicked witnesses, SIC discovered "a shocking and potentially dangerous situation," according to commission chairman Miles L. Lane. He said that associates of Johnny Dio and Anthony (Tony Ducks) Carillo, another Mafia boss, most recently involved in the Marcus scandal, had moved "into key positions" in both the union and truckers' association at Kennedy.

The truck-owners' group at that time was the Metropolitan Import Truckmen's Association, an influential figure in which was Anthony (Stucky) DiLorenzo, a younger member of the national crime syndicate. He was on the



Harry Davidoff
Why shouldn't he wheel-deal?

association's paid as a \$25,000-a-year "consultant."

From this position, he was able to exercise great influence

(Continued on page 60)



Union members show identification before Manhattan Center vote.

Postmen Vote to Walk Out In Manhattan and Bronx

By MICHAEL HANRAHAN

A shutdown this morning of all mail deliveries in Manhattan and the Bronx loomed last night when nearly 4,000 members of the letter carriers' union voted to strike in defiance of federal law and of their union leaders. The walkout would be the first in the history of the U.S. postal service.

It was feared by authorities that a strike would begin on the next work shift and would spread throughout the city before completion of today's mail service schedules.

Gus Johnson, the president of the 7,200-member Local 66 of the National Association of Letter Carriers, was loudly booed and

chased from his platform last night when he urged union members to keep working. The boos shouted denunciations of a union "sellout to Nixon."

Severe Fines

Federal law prohibits strikes by employees under penalty of severe fines and jail sentences.

The Nixon administration has called for vast changes in the Post Office Department. The changes would make the postal service an independent authority. The bill already has passed through a House committee and will be debated in Congress shortly.

Under the proposed provisions, the postal service would operate as an independent agency guided by a private committee. The committee would be empowered to raise rates with congressional approval and to adjust salaries.

The National Association of Letter Carriers has urged its membership to show "patience" and wait for the results of Congressional action to grant its membership salaries on a parity with other federal employees.

Set a Pattern

Postal organization across the nation, which have also scheduled strike meetings, are expected to be guided by the action of the New York local, which will set the pattern.

The total effect of the strike mandate on immediate deliveries will not be known until later today.

Far-ranging effects through Brooklyn, Queens, Staten Island and Long Island will not be realized until at least tomorrow.

The limit of the work stoppage will fall heavily on commercial interests first.

The N. A. L. C. has promised swift action to insure

Asks \$10B For Cleanup

Trenton, March 17 (AP)—The tristate region of New Jersey, New York and Connecticut should invest \$10 billion over the next 20 years to clean up the environment, the Federal Trust for the Environment said today. In a report to the governors of the three states, trustee Chairman Charles J. Fendall said the report cost for each regional hourkeeping "about \$25 a year per person, should be paid."

that service would not be completely curtailed.

Following the vote tabulation, Johnson, ascended the podium and read the tally from the Honest Ballot Association favoring the YES-STRIKE vote.

Johnson then told the members that strike headquarters would be at Branch 56 offices in the Times Square Motor Hotel, 43d St. and E. 23d Ave.

He then read the strike mandate: "No return to work until the union is recognized as the exclusive bargaining agent providing wages of \$2.00 to \$11.00, with cost of living increases."

The demands included:

- Ten percent pay raise.
- Ten percent retirement at 55 with no reduction of age.
- Full pension contributions by the government.

- Full health insurance premiums paid by the government.
- Full life insurance premiums paid by the government.

Johnson also said that the demand for advertising personnel was being met by the use of the rates of most recent years.

Letter carriers are presently paid \$100 to a top of \$4,412 after 21 years.

Identify Girl Victim of Blast

By PATRICK DOYLE and RICHARD HENRY

The young woman whose body was found with two male corpses in the Greenwich Village townhouse bomb factory was identified last night as Diana Oughton, 28, a Bryn Mawr graduate who had become "very active" in the militant Weatherman faction of the SDS.

Identification was made through a match-up of FBI fingerprint records with the print that police laboratory technicians were able to lift from a finger found yesterday in the rubble of the townhouse, which blew up March 6.

The torso of the girl was found on March 10. The body of Theodore Gold, 28, a leader of Students for a Democratic Society during its riots at Columbia in 1968, was found at the bottom of the blast; the body of another male, unidentified, was found Saturday.

The Oldest of 4 Girls

Diana was the oldest of four daughters of James H. Oughton, a restaurateur in his home town of Dwight, Ill., 20 miles southwest of Chicago. His daughters, both 50, did not know that their daughter was dead until 11 p.m. when Mrs. Jane Oughton told the News.

"I last saw her on Christmas, here in Dwight. I last heard from her on her 26th birthday, Jan. 20th. She was calling from Chicago. She was a very beautiful girl in college, where she married in Germany, but since graduating

in 1964, she had become very active in the SDS. She was in the Weatherman group. I found out when she was arrested in Illinois."

Her Arrest Record

That arrest occurred last Oct. 9, when Diana was seized on a "moh action" charge along with other militant radicals in the Four Days of Rage that the SDS mounted to protest the 1968 Chicago police action against leftist youth.

Diana also was arrested Sept. 22, 1969, in Flint, Mich., where she had recently taken up residence, charged with her, as was

distributed organizing literature for the militant at First Central HS, were John Buckingham, 20, and David Joseph Chase, 21.

Flint police said last night that they thought one of those two youths might be the unidentified third person found dead in the ruins of 15 W. 11th St.

Her Upbringing

Diana was graduated from Bryn Mawr, an Philadelphia's elite liberal arts college, subsequently, she worked briefly in Europe, a sort of a Deputy Inspector Thomas E. H. McGuire of the First De-

(Continued on page 24, col. 1)

School Vote Tomorrow

Polls will be open at more than 1,200 polling places for tomorrow's community school board elections in Brooklyn, Queens, the Bronx and Richmond. Voters may cast their ballots between 6 a.m. and 9 p.m.

As a general rule permanently registered voters will vote at their regular polling places, while specially registered voters

will vote in or near the school their child attends.

Students will be ordering regular sessions during the day, but prospective proxy voters will be charged to a minimum of \$1.00. All after school and evening sessions are closed, however.

Abstention, which is not affected by the election, will have no effect on school records for the coming days.

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JFK—OPEN CITY FOR THE MAFIA

Here's Harry, it's his airport

(Continued from page 3)

In the association and to put other hoodlums and questionable characters on the association payroll," Lane said.

"It became quite evident that the Teamsters Union Local 295 under Davidoff and the Metropolitan Import Truckmen's Association under D. Lorenzo were working together as a hammer and anvil between which both management and labor were being hammered and squeezed."

This "insidious arrangement," Lane went on, put Kennedy's air freight industry "under virtual control of the racketeers and racketeers" who ruled the local and national air.

As a result, the SIC head charged, one trucking company was subjected to "illegal boycotts" by Local 295 and a number of its trucks were sabotaged "in a manner endangering the lives of the drivers and the public."

"Because of threats, boycotts and work stoppages, this company lost lucrative shipping contracts with two major airlines. Here Davidoff had virtually dictated the selection of truckers by major airlines."

Another trucking executive cited "innumerable" acts of sabotage suffered by his company's trucks. On just one occasion, tires were slashed on 18 vehicles and the windshields broken. These wanton acts were "part of a pattern to impose control at the airport," Lane said.

According to a one-truck little businessman, Local 295 lifted his union book, after which 295 members boycotted him and he could not make pickups or deliveries at Kennedy, Lane called it "another example of an obvious squeeze to force a trucker into the association."

S STILL ANOTHER company testified, in effect, that a \$5,000 initiation fee and \$1,000 monthly dues had to be paid to MITA "to facilitate its airport operations."

And there was startling evidence, Lane pointed out, that one of the nation's largest trucking companies had been driven into bankruptcy "as a result of racketeer influence and control."

Moreover, as documented by a bit of social chit-chat, the friendship between Duo and Davidoff exposed in 1967 by the Senate racket committee was still warmly flourishing a decade later.

Johnnie Duo and Mrs. D. were among those attending a surprise birthday party tossed for Harry Davidoff at Lennon's Steak House in Long Beach, L.I., in October, 1967. Other guests included union and MITA representatives and persons active in air freight, attesting to the high esteem with which Davidoff was regarded in the industry.

Today, as the elder labor statesman at Kennedy, Davidoff is pained by uncouth reminders of his gamy past.

"I don't deny that I have a record," he said the other day. "But I'm talking about 25, 30 years ago. You understand, this is what they're talking about. If I was a kid then and I got in trouble, do you want to brand me now?"

"I'm a sitting duck," his last arrest—"I think"—was in 1942 and asked if he hadn't been shot, he said, "I was shot!" Then he recalled, "Maybe 30 years ago."

"Why don't you go talk to the workers?" he asked. "Do you know where all the stealing is coming from? From the airlines, from some airline workers who belong to other unions. All the stealing comes from the airlines."

Davidoff explained that drivers and freight handlers never know what's in a cargo carton.

"The only one who would know is the employees of the airline that have the manifests come in on the telephone, you understand? They don't tell you where all the stealing comes from."

So, according to Davidoff, it's "the people who work for the airlines, the cargo handlers who work for the airlines, those are the people stealing the freight—and planning it on these drivers."

With pardonable pride, he noted that his drivers are the highest paid in the International, making \$100 to \$150 weekly and overtime.

"I say this to you, if they show me one Mafia truck driver here, I'll put him out of business or a truck owner, whoever he is."

So far as the cruel things said about him and Local 295 by the SIC in 1967, he retorted:

"Every penny I'd put in my books and records. If they had anything on this union, they'd be here with their handcuffs tomorrow morning. We're just a scrap of it. We were in front of every grand jury there in and everything."

Davidoff says he took the Fifth under questioning because "I didn't even know what they're talking about. Can I answer a question when they say, 'Were you here and there this and that day?' I don't even know, do you understand?"

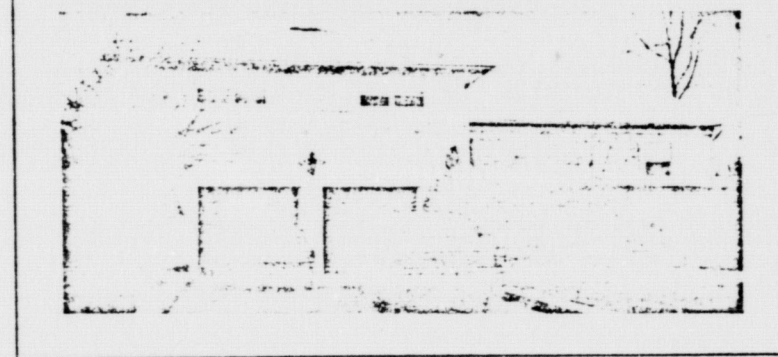
What is to you then was the SIC's motivation in branding you and 295 as mobster dominated?

"I'd say somebody is looking for a high political job in the airport. You want to know something? You gotta go in back of the airport, in back of each cargo terminal of every airline and see the freight being taken there, right out in the open where anybody can come in and take it. They don't even have no security there."

In his sweeping critique of airport security, he



Harry Davidoff's modern union headquarters (above) in Jamaica, Queens, and the cars outside his Roslyn, L.I., home (below) give mute testimony to the distance he has traveled since he was allegedly a member of Murder Inc.



also mentioned Building 80, the Customs Building, where brokers are located.

"You have to go and see some employees that they hire there," he said in scandalized tones.

"With hearts, and all the rest of it. You're afraid to walk in the halls there, people tell me."

As previously pointed out in this series, the Customs Building contains the critically important information on movement of important cargoes that could help in pulling off large thefts or major hijackings. The kind of cover that exists because Kennedy is an "Open City" for the Mafia.

Personally, Davidoff insisted, he is "a million per cent" in favor of full security, and his union would "be a million per cent" in carrying out such measures.

"I don't want this union to be branded," he said. "If a man is a thief, he don't belong here. These men are making \$100 a week, and if they're thieves, they don't belong here."

A News reporter asked Davidoff about a movement, gathering momentum, to have the Waterfront Commission take over the security responsibility, and this surprising dialogue ensued:

THERE'S NOTHING wrong with it," Davidoff answered. "Listen, I don't know how they're going to stop it. Down at the waterfront, there's more stealing than in the airport. I am not opposed to anything to stop the stealing."

"Then you would not be opposed to the Waterfront Commission coming in?"

"I'm not opposed to anything as long as they stop the stealing."

"The reason I ask the question is that one of the measures they would obviously introduce is referring to the Waterfront Commission—would be the fingerprinting of employees."

"There's nothing wrong in it, there's nothing wrong in it."

"You're not opposed to it?"

"If fingerprinting?"

"Yes."

"No, sir. If they ask me that is what they want, I will recommend it and enforce it because when I send a worker out to work, I ask, 'You got a record?' Listen, I'm not a con. The worker tells me, 'No.'"

"What the hell? I don't know whether he has or not and the company that checks on him—like the insurance company—they are very lax. They should check these people if they have a record or was ever locked up for stealing or anything, and that's it."

Over a 10-year period, he asserted, only "about 15 or 20" members were given the heavy lift from the union for thefts or other criminal facts. And he membership represents some 60 to 70 trucking firms and air freight forwarders with about 500 trucks.

On the management side of the street, Haskell Wolf, an attorney, represents the National Association for Air Freight, successor agency to MITA, which was exposed in the SIC hearings.

To U.S. Attorney General John Mitchell's recent charge that gangster domination still exists at Kennedy, Wolf answered, "That's an outright lie, you see, that has to be refuted. And that's what I'd like you to do, to give me the story. You can have a look at the books, the records, anything you like. I have nothing to hide here."

Wolf, who is NAAF's executive director, asserted that he'd made recommendations several years ago to the Airport Security Council that the airlines themselves improve their precautionary measures. The council was organized in August, 1968, by the airlines to advise them on measures for tighter and better security.

"Any schmuck can come into an airline and say, 'I'm looking for a job,' and they'll put him on. They needed bodies to move cargo around. They weren't paying any attention to what they were doing."

"Now the point is this—if you will check the records with the police and the FBI, everybody they have apprehended in the last four or five years, with this thieving going on, you will find that 85 to 90 percent of these people were airline personnel."

Wolf had some countercharges of his own to toss onto the landing strip, including "political motivation."

Besides, he complained, there's an outfit called ACI, Air Cargo Inc., which is a wholly owned corporation of the so-called airlines in this country. Wolf said that ACI arranges contracts between local truckmen as cartage agents for different airlines in different cities.

According to Wolf, ACI collects by merely acting as an intermediary in billings from the truckmen to the airlines. Inis, in effect, he maintained, is a rife from the truckmen.

In Washington, a high official with ACI convincingly refuted the statement. He asked that his name not be used. Why?

"Please don't," he said. "I wouldn't want somebody to come down here and run my children."

"You're not serious about this?"

"I'm very serious about it."

And, from independent sources, The News learned that a threat had been made to the family of another high ACI official who had volunteered to assist in an informal investigation at JFK.

Meanwhile, back at the grey stone union ranch on 14th Ave. in Jamaica, Harry Davidoff deprecated talk about his sunny life. Well, he explained, any one of the members, any member at all, can come in any time and steal after a long day of virtuous toil.

Next: Security at JFK.

Next: Other crime at Kennedy

SOCIAL SECURITY

By HARVEY GARDNER C.P.A.

QUESTION: I will be 65 soon but never worked. My husband is seven years younger and is therefore not yet eligible for benefits. Can I get hospital coverage at age 65?

ANSWER: As you are not entitled to benefits on either your own or your husband's record, you are not eligible for free hospital insurance. A woman who reaches 65 in 1970 needs four quarters of coverage for hospital insurance. However, there is nothing to prevent you from applying for medical insurance at a cost of \$1 monthly (\$2.50 effective July 1970).

QUESTION: Will retire at age 65 in 1970 after having earned the maximum. What amount will I get?

ANSWER: Including the new 15% increase, a male will receive \$106.90 monthly. A female draws \$106.40.

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The Other Mob at Kennedy

Little Crimes Add Up to Big Biz

PHOTO BY NEWS-STAR/COPIES CO. INC.

THE MAFIA cannot be blamed for all the soaring thievery at Kennedy airport.

True, the five families of the Cosa Nostra in the city live in happy larcenous harmony at the crime-racked field, feasting on major thefts and hijackings. But the number of non-affiliated criminals is staggering—and they are the ones who pose the greatest direct threat to the 191 million passengers yearly using JFK.

In rackets, they range from prostitutes to drug peddlers, from pickpockets to confidence men. In age, from nine-year-olds to couples of widows twice have stolen large cargo trucks—so much for security's 72-year-old Corral Vanderbilt. They don't make baggage thieves like the distinguished-looking Corral any more, and will return nostalgically in a moment to this venerable hood.

"To make JFK crime-free, you would need a cop every ten feet," a veteran airport policeman wearily told THE NEWS, and here are some examples that prove his point in transit.

● Posters in English and Spanish at various airlines tell the unwary to beware of three South Americans, who play a variation of the old shell game, using a chieftain instead of a pea. Since November, they've clipped JFK passengers for more than \$10,000.

● Pickpockets thrive, as symbolized by Peter Dimitrakis, alias Peter Pappas, who came from Turkey to the U.S. in 1924, where he has since racked up 51 pinches, and JFK is his happy hunting ground.

● Aforementioned Corral Vanderbilt, with trim mustache and tortoise shell glasses, takes bags from the rack or imperiously directs a skycap to put them in an airport limousine and later ransacks them in a midtown hotel.

Vanderbilt, who has 12 aliases and a long record going back to 1928 in Iowa, is not just a smart-time operator. In a six-month period, several years ago, the cops estimate he made a small fortune just at JFK with his baggage-swapping racket.

But age is at last beginning to catch up with Corral Vanderbilt. Today, JFK enforcement officials are hoping for his early retirement.

Another independent at the field is Alan Weintraub (three aliases and 22 arrests), who specializes

in obtaining airline tickets for dishonest vacationers at a 50% discount—by using stolen credit cards.

Runners bring him the dates and destinations of the vacationers, and two women working for him steal credit cards.

Alan Weintraub forges a driver's license and Social Security card as identification and goes to the airport counters, buying the vacation tickets with the stolen credit cards.

When last arrested early this year, he had \$1,000 worth of tickets on him and a copy his "order book."

Fourth in a series detailing rampant crime and criminal influences at Kennedy Airport, by Joseph Martin, Edward Kirkman, Gerald Kessler, Kermit Juediker and Henry Lee.

Itemizing tickets to be purchased for 40 more patrons. He is waiting time for grand larceny and forgery. There are package and pocketbook thieves galore, an occasional panhandler, nonman heaters who specialize in small passport stickers and postcards. The News has received a number of complaints about girls soliciting within the field.

Among the non-Mafia hoods, the motto is, "No theft too small." Last year a trucker delivering rare fish from JFK to a dealer in Brooklyn went into business for himself enroute. He displayed a sign, "Fish for Sale," and stopped to sell both to passing motorists and pet stores along the way.

In another numbert, alert Port Authority cops noticed a Corvair parked in a wrong area at the TWA passenger terminal and when they beeped against the car, heard muffled yaps from the trunk.

Investigation disclosed that half a dozen pedigreed French poodle puppies were missing from a shipment being sent overseas and that the Corvair belonged to a baggage handler. The cops brought him to the car and banded on the trunk.

"You got me!" he dramatically confessed as incriminating yaps came from inside.

He was fired and charged with grand larceny.

But the mischief of all occurred last year at KLM. A large payment of checks arrived from Holland, and three KLM cargo people took one each, value, 50 cents and concealed them in their lockers. They were fired.

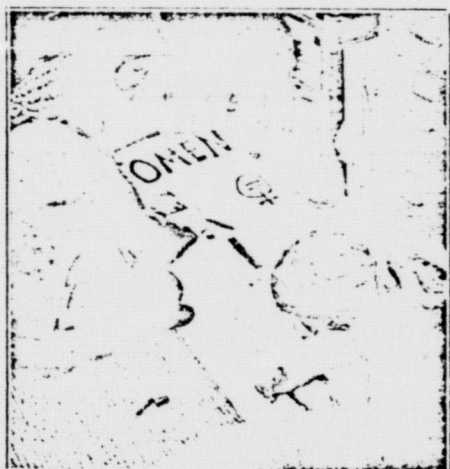


150 Port Authority police patrol JFK, but they are too few to stop much of the crime at the airport.

Large and small, there were 5,117 reported crimes within the 4,930-acre airport last year (which does not include the numerous mob-planned hijackings outside the terminals) and 1,713 arrests. This past January, there were 534 reported crimes—which would indicate that 1970 is going to be a banner year with crime 20% plus higher than in '69.

What on earth is wrong with the security at JFK! For one thing, when the airport opened 22 years ago next July 1, organized crime was more far-reaching than organized business. To the airlines, cargo was

(Continued on page 52)



Women work on their poster slogans at Ladies Home Journal.

100 Seek to Liberate Ladies' Home Journal

By JEAN CRAFTON and THEO WILSON

Imagine that you are one 41-year-old man, surrounded in your own office by 100 angry women. They are smoking your cigars, sitting in your chair, hanging signs from your window, trying to push you off your desk, and for hours they are arguing and arguing, talking and talking, nagging and nagging.

There you have the main ingredients of John Mack Carter, editor of the Ladies Home Journal, the 87-year-old magazine which is known as "Never Undermining the Power of a Woman."

All yesterday, his office on the fifth floor of 641 Lexington Ave. was filled by a woman, all ages, all shapes, all ages, just to demand, among other things, that Carter

quit his job and be replaced by a woman.

The group army marched on Carter in the morning, and when his office was closed in the afternoon, they stood at the carrier outside.

They told Carter they wanted not only a woman editor, but also an all-female editorial staff, women writers only for columns

and front-page articles, \$25 a week minimum pay, an all-female sales and advertising staff, free day camp facilities on the premises for employed children, and hiring of nonwhite women in proportion to population statistics.

But most of all, they wanted Carter to join the women's liberation movement.

Carter kept his cool most of

the time, sitting on the edge of his desk, laughing sometimes when a funny crack was made, refusing help from nervous underlings who ran to at intervals to ask if they should call the police.

While the women—most of them in pants suits and no make-up—smoked cigars from a box on his desk, Carter smoked Bullfinch cigarettes, tossing a cigar pipe in his hand and laughing, tossing steel marbles in the air.

"I will not negotiate under duress," he said.

(Continued on page 38, col. 1)

teach slow learners. About 200 candidates are running, ranging from a huge 70 in Staten Island's District 30 to a low of nine in automatically elected in Brooklyn District 8.

Groups in District 8 who back the Ocean Hill-Brownsville demonstration Project are threatening to pocket polling places in the district. Out of an original 10 candidates, the nine who remained after court challenges were all part of a slate headed by Assemblyman Samuel Wright, a foe of Ocean Hill unit administrator Rhody McCoy.

McCoy and the Ocean Hill governing board have called for an election boycott. But some groups who back the governing board are angry because there is no contest in the district.

Under the redistricting plan the Ocean Hill project will be absorbed into the larger District 8.

Polls Open 15 Hours
Polls will be open from 8 a.m. to 9 p.m. in the four boroughs. As a general rule, permanently registered voters will vote where they usually do, while specially registered parent voters will vote in or near the school their child attends.

Voters will select as many candidates as they wish in order of preference. The voter does this by placing "X" in front of his first choice, "2" in front of his second choice, and so on. There will also be room for write-ins. The counting will start Tuesday morning at 11 a.m. and will last through Saturday. Individual winners will be announced as they are declared elected.

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JFK—OPEN CITY FOR THE MAFIA

16 airlines have no security men

(Continued from page 5)

a comparatively minor matter, and they grabbed experienced freight handlers wherever they could find them.

Most of them were criminal dropouts from the waterfront, having been chivvied out of on-shore jobs there by the Waterfront Commission. Many of them had gang connections, as did others who arrived at the field in the guise of union members and trucking officials. The Mafia had come to stay.

Down the years, crime has been waxing louder and louder. But the airlines, sensitive to their "image," have been reluctant to crack down. They have been protected in part economically by insurance and have charged off the rest of their losses as cheaper than fighting with the warden or setting up a first-rate security system.

Hence, today, to cover the sprawling complex of more than seven square miles, they rely primarily on public law enforcement officials assigned to the field.

There are 140 Port Authority uniformed men, but the detective complement is pitifully small, considering that JFK handles 35 domestic and foreign airlines and 57 freight forwarders, customs, bonded brokers and cartage firms. Last year the field handled 73,000 tons of air cargo and 14,000 tons of mail. There are 14,000 employees.

But, the real swatting force includes only four city detectives, two men from the Queens district attorney's office, half a dozen FBI men, ten PA detectives, four postal inspectors and customs men.

Among the PA detectives are three intelligence men, who were assigned two years ago to gather information on organized and miscellaneous crime. They work out of the PA Building. In this "bat cave," as they call it, they have built up more than 10,000 records with cross-files of criminals and established close liaison with city and federal enforcement officials.

The trio, who make only \$12,000 each yearly though they put in man on the job with medals, including the PA medal of honor, and Bob Matus, 43, and Gene Kelly, 40, who have one medal each.

But despite their dedicated work, despite the seven-day-a-week cargo security squad, reported net cargo losses last year at the field were \$3.3 million—almost double the losses of last year. Yet, over the last 16 months, only 42 airline employees and 51 non-airline workers have been arrested for cargo theft or suspicion of theft.

For one thing, the individual airlines have not followed through with security men of their own (retired detectives or police officers, in contrast to uniformed guards). BOAC does have five security men, Sabena three, United, Eastern and KLM two each—and TWA has requested more than \$50,000 in security at the field. But 16 lines have no security men of their own.

Thanks to its 500-G-plus investment, TWA enjoys model precautions at its 140,000 square-foot terminal, one of the larger ones at JFK. Precautions range from a simple yellow line in front of the terminal—trucks absolutely do not cross it—to fingerprinting personnel, including union and non-union workers and supervisory employees.

For import storage, TWA has added 42,000 square feet of enclosed buildings and a spokesman says, "We now never have a situation where cargo is not enclosed inside a building." Various forms of equipment security also are used, such as closed circuit TV.

BUT NOT MANY of the airlines can make such security claims, and, as long as two years ago, high PA brass conferred with top-level executives, making personal appeals for installation of real security programs before the crime situation got out of hand.

About the same time, in early 1968, the New York City Police Department submitted a list of 16 security recommendations for the cargo area. A check last week disclosed that two have been partially instituted by the airlines.

As a matter of fact, out of 55 airlines which maintain high-security rooms, only 10 have taken the elemental precaution of setting up an alarm system hooking in with the PA police station. Only half a dozen have installed closed circuit TV. And only 13 have put in Regiscope, two-lens cameras which automatically photograph freight pick-upmen and also register the documents they must present. These cost \$250 per unit.

In all, 21 major recommendations were spelled out in January, 1968, to the airlines for security in the air cargo areas. These represent ideas from the Port Authority and city police, along with insurance companies.

And the insurance companies are particularly concerned because, according to the American Institute of Marine Underwriters, of all gateway airports involved in air cargo pilferage, JFK last year "was the scene of the costliest single loss and the greatest number of losses." Just one cash-and-carry pilferage during July resulted in a \$48,000 claim, according to AIGU.

Of the two dozen security suggestions, representing the distillation of thinking by the most knowledgeable public and private authorities, nine are recommendations covering employees, six cover non-employees, and two urge various forms of equipment installation.

The follow-through making sure that the airlines actually obey the recommendations would seem to be the responsibility of the Airport Security Council.

This outfit was set up by the airlines themselves with a \$200,000 annual budget and a staff of 11 when legislative action proposed last year would have taken security out of the airlines' control.

However, Mario Noto, executive director of ASC, emphatically admits that the council's greatest weakness is the lack of enforcement power. ASC can only recommend—the lines decide. They may reject any or all of the recommendations because of their cost, alleged impracticality or dubious benefit (in the line's opinion).

"When I ask if they are doing the things suggested by law enforcement agencies," he says, "they tell me they are doing it. But I can't vouch for it."

Until THE NEWS informed him, Noto didn't know that neither Transporters Local 200 for the National Association for Air Freight, representing truckers, had no objections to fingerprinting for security reasons.

Noto felt that his biggest security achievement has been the institution of identification badges for airline personnel, which he rates as "an excellent psychological deterrent."

By now, he reports, ASC has "graded" about 15,000 employees, representing 95% of all employees in the air cargo operations of all the airlines. However, those photos have not been passed on to the regular law enforcement men at the airport. It was "a council decision," Noto reported, but the photos are available "on a when-needed basis," he maintained.

HEREWITH, extracts of Q. and A. from the interview with Noto:

Q: "What have been the major recommendations you made to your member-line airlines and which were accepted or carried out? That is, recommendations to increase security, protect cargo and reduce theft?"

A: "Well, the one about the badge, you know about that. The reporting system, which is one of the biggest things out at the airport."

Q: "Reporting the theft after it has occurred? That's the reporting system?"

A: "Yes."

Q: "I'd hardly call that security."

A: "Wait, let me backtrack a minute. If you don't know where things are being exactly stolen, you can't close the door. That's the real purpose behind the reporting system."

Q: "Okay, they (the airlines) agreed on the badges, they agreed on the reporting system. Are they now reporting on all the thefts?"

A: "Ah, I would say there's—let me use this as a phrase, there is substantial compliance."

Q: "Substantial to what degree?"

A: "I can't say."

Q: "I understand—if they don't report all, you can't know the total thefts nor obviously the per cent of compliance."

A: "That's right."

Q: "Okay, I thought you might have an educated

estimate of the per cent of compliance with the reporting system?"

A: "I know this—they're not reporting every one. That's obvious, but as far as I'm concerned, I think I'm pretty much getting it."

Q: "All right, let's move on. What's the next recommendation you made that was accepted?"

A: "Here, Noto paused, then said:

"They also accepted recommendations for holding 'security seminars and programs.' They have accepted certain recommendations having to do with mechanical inspections and closed circuit TV and Regiscope."

However, without going back to his records, Noto could not tell what percentage of ASC membership had actually adopted either suggestion.

With mechanical devices and guard systems, he explained, "whether or not they're going to adopt it becomes a matter of each individual determination. Why? Because the airlines are different, some airlines may be operating with a 200-foot square cargo area."

Noto was asked how many of the 24 recommendations had been carried out.

"It's my recollection that all were carried out to some fashion or some degree," he said. "I have that documented. I not only have that answered with dates, names, places and figures, but I also gave a copy of that to the Port of New York Authority."

As a matter of fact, one of the top brass of the Port Authority angrily says that while PA has taken security steps, "I regret to say that the airlines have not responded with effective action to cope with an evil which is basically their responsibility as custodians of the valuable property entrusted to them."

Of ASC, he adds, "It has not really been fully effective, primarily because I believe that it has not received sufficient support from the top echelons of the airline industry."

As related earlier in this series, the State Investigation Commission three years ago made an extensive documentation of the wide-open crime at JFK. Today, the current SIC chairman, Paul Curran, contends:

"The thefts and pilfering on the airport have since increased, if anything. The same hijacking problems of the airport have increased."

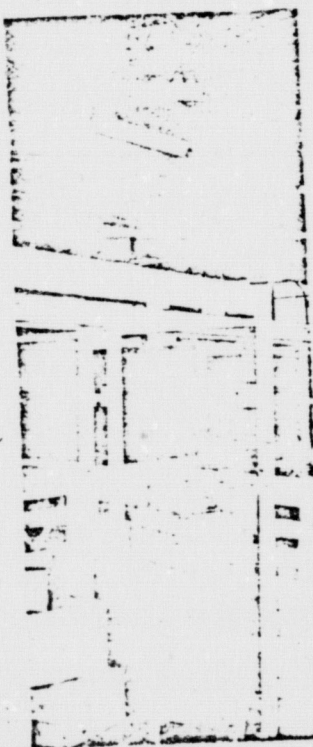
"The truckers and the union have the same characters, indicating there has been no internal housecleaning."

"We recommended that the Legislature authorize the Waterfront Commission to take over the airports and screen all workers and license them, just as they do on the docks."

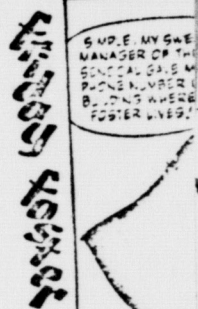
"The problem is still there—we have been keeping in touch through our investigations."

"The Airport Security Council is active, but its job is to improve security, and while strong efforts have been made, it is obvious that the old problems are still around and if anything, have gotten worse."

NEXT: The remedy?



Of all the airlines using JFK's cargo facilities, TWA has what officials consider a model security system. This includes closed circuit TV in its warehouses (left), and close checking of cargo by personnel who not only wear ID badges with pictures (above), but who are fingerprinted.



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By W
"Could you tell
world?" asked the girl
preparing a big dinner
or but." She licked her
shook my head.
There are lots, I said,
inc on whether you mean
white. The greatest dry
certainly Le Montrachet
Burgundy, but there a
about 2400 cases of it a
year. The greatest red
ably a Bordeaux from



eight vineyards, depend
year, but it should be
before you drink it. One
of red Burgundy vines
be picked by some, it
should be a dozen year
best wine in the world
that goes best with
having.

"I'm having chicken
and she, tossing her
don't quibble."

"Every district has
and for a delicate dis
like a light red Pin
Santenay or Monthel
or a California win
same grape, a Pinot
Napa or Santa Rita
white wine like an
Champagne. There
best, which is what
wines, because you
after another."

"Nobody gives you
wines any more," she
dish, wrapping her
around her, "but
sounds fine."

Simple answers at



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Crime Experts Sum Up JFK:

Albany Bill Won't Stop the Mobs

DESPITE THE SHOCKING extent of airport crime—as spotlighted by THE NEWS expose of rackets at Kennedy Airport, ranging from cargo thievery to loan sharking and smuggling—remedial legislation proposed in Albany would be like prescribing aspirin for a cancer, experts maintained yesterday.

Original plans to have the Waterfront Commission, with its 15 years of crime-fighting expertise, take over total security responsibility for the airport have been so watered down, these experts say, that the program would not only be ineffectual—it would be unenforceable.

Two years ago, with the backing of Gov. Rockefeller, a tough bill that would have given such powers to the commission was allowed to die on airline pleas that they could do the job themselves.

In those two years, while the airlines slumbered, crime at JFK has more than doubled as the Mafia and independent criminal elements moved into the "open city." The phrase, in gangland, means that almost any one can grab a piece of the action in the lush \$250 billion a year cargo industry there.

Though the bill now automated by State Senator John Hughes (R-Saratoga) ostensibly gives the Waterfront Commission responsibility for JFK's security, THE NEWS uncovered a loophole as big as a changer. The measure excludes all airline employees, concentrating only on the truckers.

Thus, experts warned yesterday, "zones of immunity" would be created in the territory of the airlines, where law breakers could thumb their noses at the commission cops. Hughes himself told THE NEWS that this measure was "a half loaf."

Further, both New Jersey and New York must adopt identical legislation measures involving the Waterfront Commission, a Bi-State agency or no measure at all will result.

In contrast to the aspirin-like Hughes bill, a bill



Austin Tobin
Head of Port Authority



Sen. Frank McDermott
Author of strong N.J. bill



Paul Curran
Chairman of S.I.C.

Lost in a series detailing rampant crime and criminal influences at Kennedy Airport, by Joseph Martin, Edward Kirkman, Gerald Kessler, Kermit Jandiker and Henry Lee.

has been introduced in the New Jersey Legislature, a measure that would apply surgery to the crime cancer. It is exactly the same tough bill drafted for New York two years ago, but smothered by airline pressure.

Sen. Frank McDermott, a sponsor, predicts support in the Jersey Legislature for his bill, but even if it passes, the effect would be nullified by passage of the Hughes bill here. So far as is known, there have been no efforts by New York legislators to get together with their New Jersey counterparts and adopt

the necessary identical language for both measures.

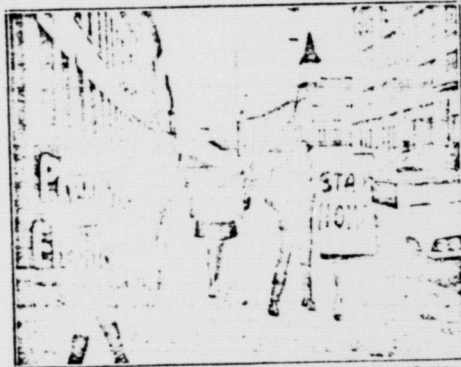
Investigation by THE NEWS disclosed that a few weeks ago the Waterfront Commission forwarded its Sen. Hughes a proposed bill that paralleled the abortive measure of two years ago. Subsequently, as the commission's surprise, Hughes sent back his baby-weaned version, exempting airline personnel.

The measure according to Albany sources, was so completely unacceptable that the commission, in turn, sent back word to Hughes that it would never, under any circumstances, become associated with such a security program.

Nonetheless, Hughes has continued to expose his little orphan, and only in the past week has met with airline representatives to discuss the bill.

As recently as Wednesday, he also met with Rob-

(Continued on page 54)



Pickets on Herkimer St., Brooklyn, protest school board election.

OK Ronan's E. Side Loop For Second Ave. Subway

By ALFRED MIELE and RICHARD OLIVER

The Board of Estimate approved yesterday the Metropolitan Transportation Authority's suggested route for the proposed Second Ave. subway line, including a "loop" to serve Manhattan's lower East Side.

Approval, by an 18-4 vote, came after a four-hour city hall hearing and a two-hour, closed-door session by the board.

Connects at Houston

The new line will run south from 34th St. along Second Ave. to a terminus at Water and Brox Sts. in Lower Manhattan. The loop

route will connect with this line at E. Houston St., run east to Avenue C, and then north to connect with the existing 14th St. Crosstown line of the BMT.

City and state agencies previously approved the Second Ave. line from 14th to 125th Sts.

At yesterday's hearing, resi-

dents and civic groups from the lower East Side asked the board to expand the loop further downtown and to increase the line from two to four tracks.

Better Service

Chairman William J. Ronan of the transportation authority told the board that his plan would provide "more and better service" than a plan to route the line as suggested by the board last July.

Ronan said the new route would cost an estimated \$100 million compared with \$191 million for the other plan, which would have snuffed the Second Ave. line out at 16th St. to Avenue A, then back again just below Canal St.

Ronan said his agency's plan would phase an additional 12,000 families within seven blocks of the subway. Passengers will also be able to transfer to the Brooklyn, Seventh and Eighth Ave. lines, in addition to the 14th St. line.

Queens Modifications

In a related action, the board unanimously approved transportation authority modifications of \$3.6 million worth of previously approved subway routes for Queens. Those changes involve extensions of service for eastern Queens residents through a connection with the Jamaica Ave. BMT line and the new, second Queens line, which will terminate in Springfield Gardens.

Plans call for these lines in Queens and the new line in Manhattan to be completed in 10 years.

were received for the wrong candidates and at others election materials and supplies arrived in boxes so big that they could not be carried up the stairs.

From 2 o'clock to 5 o'clock voters were expected to cast ballots in the 25 local school districts before the polls closed at 9 p.m. After closing, ballots will be taken to the nearest police station, then to a counting center in each local district.

Counting of votes was scheduled to begin at 9 a.m. today, but the results of the elections in some districts were not expected to become final until Sunday or later.

The locally elected boards will replace the appointed boards now operating, and will have much broader authority over the operation of elementary and junior high schools in their districts.

Elections in Manhattan were postponed until a legal challenge to a local district lines drawn up by the Board of Education is cleared up.

4 Boroughs Pick District School Boards

By BERT SHANAS

A "light turnout" was reported yesterday as voters in all boroughs except Manhattan cast their ballots in the first general election for decentralized local school boards.

The voting began at 4 a.m. at 4,200 polling places, but for the most part the only persons present in the first hour were election officials, a Board of Education spokesman reported.

At the Y.M.C.A. of Greater Flushing at Rixens Blvd. and Geranium Ave., a polling place in School District 25, Queens, for example, only five voters had showed up by 7:15 a.m. And there were 15 candidates for the nine positions on the local school board.

Many Go to Wrong Polls

Throughout the city there were many cases of voters reporting to wrong polling places. This was attributed partly to the postal strike, since the voters were to have been notified by mail to where they were to vote. Many of the cards were not delivered because of the mail strike.

Only a few moments were given at the polls.

Two of them were in the Ocean

Dope Claims Another

The medical examiner's office listed one death yesterday from a overdose of heroin, the victim, was Luis Almeida, 32, of 1212 140th St., Jamaica, Queens, who was found at 1:10 P.M. It brought the toll of dope-related deaths to 183 so far this year.

Hill Brookville section of Brooklyn where the election is supposed by the governing board of the demonstration school district that was abolished in the decentralization plan.

At PS 155 in the district, an interpreter hired to assist Spanish-speaking voters was accused of advising parents not to vote

in the election. The interpreter was told by Board of Elections officials that she faced arrest if she continued giving such advice. Two bilingual cops were posted to audit her conversations.

Father, Assemblyman Samuel Wright (D-Brooklyn), who heads an unopposed slate inimical to the governing board, protested when Luis Forester, president of PS 155, allowed voters to enter the school by only one door but permitted pupils to enter by three doors.

Some Wrong Ballots

Assistant Superintendent of Schools Harold Ray told Fuentes if he did not let voters enter by all doors he would "face trouble with the Board of Elections and possible arrest." Fuentes then opened all the doors to voters.

At some schools, paper ballots

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Airlines found lax in security

(Continued from page 5)

port Thomas, the airlines' Albany representative, and Edward McLaughlin, counsel to Hughes' crime investigating committee and also to the State Investigation Commission.

Similarly, SIC conferred this past week as THE NEWS series was starting with representatives of the airlines. Chairman Paul Garvan refused to comment on the reason for the meeting.

Three years ago, revelations by SIC of the increasing market infiltration at JFK inspired the tough bill of 1967. And ever since that measure was spiked, Austin J. Tobin, executive director of the Port Authority, has personally appealed to the top brass of the airlines to beef up their security.

The PA formally submitted two dozen recommendations to the lines, which had been drafted by their own security experts, the city police and the insurance companies. A follow-up was made by the Airport Security Council, set up by the airlines to handle their security problems.

It is the "recollection" of Mario Noto, ASC executive director, that all 24 recommendations were carried out "to some fashion or some degree" by the lines, but he told THE NEWS:

"When I ask them if they are doing the things suggested by law enforcement agencies, they tell me they are doing it. But I can't touch for it."

Yesterday, Tobin observed:

"As THE NEWS has shown in its current series, the problem now requires governmental action on the broadest possible front."

Crime has been spurring at such an alarming rate that some major shippers and importers are considering a drastic step. Unless security at JFK is completely overhauled, they told a Congressional investigating committee, they plan to remove to Montreal as their port of entry.

And the reek of Mafia-inspired crime can be smelled as far away as Cleveland and Atlanta. Business "raiders" from these cities are trying to persuade air commerce to overtly re-occupied JFK altogether and make their communities ports of entry. Chicago and Boston, when already air ports, are similarly seeking to lure business from New York. Though not immediate, there is a clear danger that, if crime at JFK runs unchecked, the city will become an import-export ghost town.

Even the Hughes bill, now tucked away in the Committee on Judiciary, charges that:

"The air freight trucking industry at JFK and much smaller Laramieville Field is contained in large part by persons who are members of or associated with organized crime and by persons notoriously lacking in moral character."

As a result, "there has been a rash of theft and pilfering of air freight running into the millions of dollars each year and other criminal activities such as assaults, labor sabotage, loan-sharking and extortion."

As a further result, "organized crime has a virtual stranglehold on the air freight business at the aforesaid airports."

Thereupon, Sen. Hughes suggests these remedial steps:

• Requiring the licensing of all freight forwarders, contract carriers, truckers, drayage agents and warehousemen for two-year periods.

• Having any applicants with criminal records, although exceptions could be made for those proving good conduct the last five years before application.

• Demanding that complete records be kept under pain of license revocations.

However, the measure fails to control all operations at the field, which is considered vital for total security. The bill applies only the truckers and does not establish security areas within the airport or ban unauthorized individuals from the cargo terminal area.

"In the airport complex, if you throw the criminals off one side of the street," one security expert explained, "they'll merely go over to the other side, where the Waterfront Commission had no supervision or jurisdiction. They could throw their noses at the commission while committing a crime."

Hughes told THE NEWS earlier this week that the bill "should be all-inclusive. But a half loaf is better than none, you know," he added. "If we could get the bill we have, it might be a starting point—but I think eventually it ought to go beyond that."

"This thing out there (crime at JFK) is growing by leaps and bounds and the less security there is, the more it's going to grow. I don't suppose anybody really knows how much is being stolen."

Hughes said that during the two-year brawling, the airlines have shown that proper security "is away ahead of them. I don't think they've got what is needed. They made a big stew and said, 'We can handle it ourselves,'" he recalls. "So they gave them the time."

"They had '68, '69—and we're in '70 now."

Realities show that crime at JFK has continued to flourish.



STATE OF NEW YORK

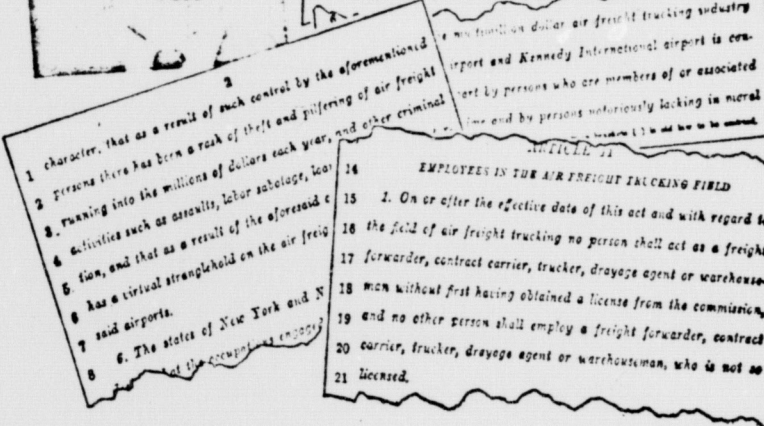
8750

IN SENATE

February 26, 1970

AN ACT

To amend the waterfront commission act, in relation to placing LaGuardia airport and John F. Kennedy International airport under the jurisdiction of the commission.



The bill authored by State Sen. John Hughes (above) to combat airport crime starts out with strong language, but a key provision (Article II) contains a loophole as big as a hangar.

Last year, according to estimates given a Congressional committee, air cargo losses just for incoming international shipments soared to \$6 million—triple that of 1968 and centered in the New York City area.

At JFK, the cargo losses officially totalled \$3,378,317, but double that figure would be closer to the truth. Official losses—assuming all of them are reported—do not include off-field hijacks or mail thefts.

Mail thefts alone in 1968 exceeded \$30 million at the crime-racked airport, according to federal authorities—and this is based on only reported cases. Last

services incidental to the movement of air freight at an airport or in an air freight terminal."

• "An air carrier or an air freight terminal operator or an air freight truck carrier to transport or to assist in the transportation of air freight to or from an airport or air freight terminal."

• Any person to engage in direct and immediate checking of any air freight located in an airport or in an air freight terminal or of the custodian accounting therefor."

The New Jersey measure also spells out in detail the commission responsibility and powers, including provision of "maximum protection of air freight, such as checking and custodial accounting, guarding, storing, fencing, gatehouses, access to air freight, air freight loss reports and any other requirements..."

In addition to having the power to issue and revoke licenses, the commission can crack down with penalties of up to \$5,000 as an alternative to revocation or suspension.

As grounds for such drastic action, numerous offenses are given in detail, ranging from lending, or even borrowing, under loan shaka rates to a conviction for gambling within 500 feet of an airport or air freight terminal.

And what security personnel consider especially important—only individuals with a license or special permit can enter an air freight security area. Those with permits must submit to search of their cars on leaving the area.

Traditionally, the airlines have accepted insurance payments for their Mafia-caused losses, rather than making the more expensive investment in good security programs. However, Senator Bible warned that "insurance losses can no longer be substituted for good security."

The Senator is proposing a Presidential-appointed federal commission to dig into the security problem. He would investigate, expose losses and theft deterrents, establish a uniform centralized loss reporting system for all cargo, examine insurance, liability limitations, and make legislative recommendations to Congress.

His measure, the Senator says, "would provide a government-industry partnership to seek out hard-headed practical crime prevention methods to meet today's criminal hordes."

All knowledgeable sources emphasized to THE NEWS the urgency of airport security measures because the air cargo industry is expanding beyond the remotest frontiers.

Today, the 207, which is still held in awe by air travelers, can accommodate more than 147 capacity (100,000). Within a few years the super-monster Lockheed L-1011 will become available to commercial airlines, with its freight capacity of 207,000 to 261,000 pounds.

Since 1956 the tonnage handled at JFK alone has swelled from 65,000 tons to 102,000 tons in 1967, with the expectation that in 1969 the volume of cargo will reach 200,000 tons.

Policing the 'Open City'

As of today, this is the "secure" at Kennedy Airport—four city detectives, two men from the Queens district attorney's office, half a dozen FBI men, ten Port Authority detectives, four postal inspectors and customs men, plus assorted airline guards. They must cover a sprawling complex of more than seven square miles where 44,000 persons are employed.

year, just one such theft was valued at between \$15 and \$20 billion.

U.S. Senator Alan Bible, of Nevada, who has been investigating airport crime nationally, warns that cargo loss reimbursements "have brought insurance companies to their knees, bringing policy cancellations."

While stealing from business is "the heart of the largest multi-million-dollar racket nationally today," Bible emphasizes that the "worst victims are the small businessman and the consumer public." It was before his Select Committee on Small Business that witnesses warned of possible removal to Montreal unless JFK is cleaned of its criminals.

As a result of such pressures, authorities told THE NEWS, the only viable solution to the JFK mess is withdrawal of the weak Hughes bill and substitution of the original bill that was backed by Gov. Rockefeller, who this year has been pushing for tough measures against organized crime.

A complete security program at JFK under the Waterfront Commission would cost an estimated \$4 million yearly, to be borne equally by the truckers, airlines and other businesses at the field. This would average about \$20,000 yearly for each firm or airline—much less than the heave of one airline vice president.

This could be accomplished under the New Jersey bill which seeks to forestall racketeering at Newark Airport where freight is in its infancy.

Rather than exempting airline employees, the bill specifically includes "airfreightmen" who are considered as being employed by.

• "Any person physically to move or to perform

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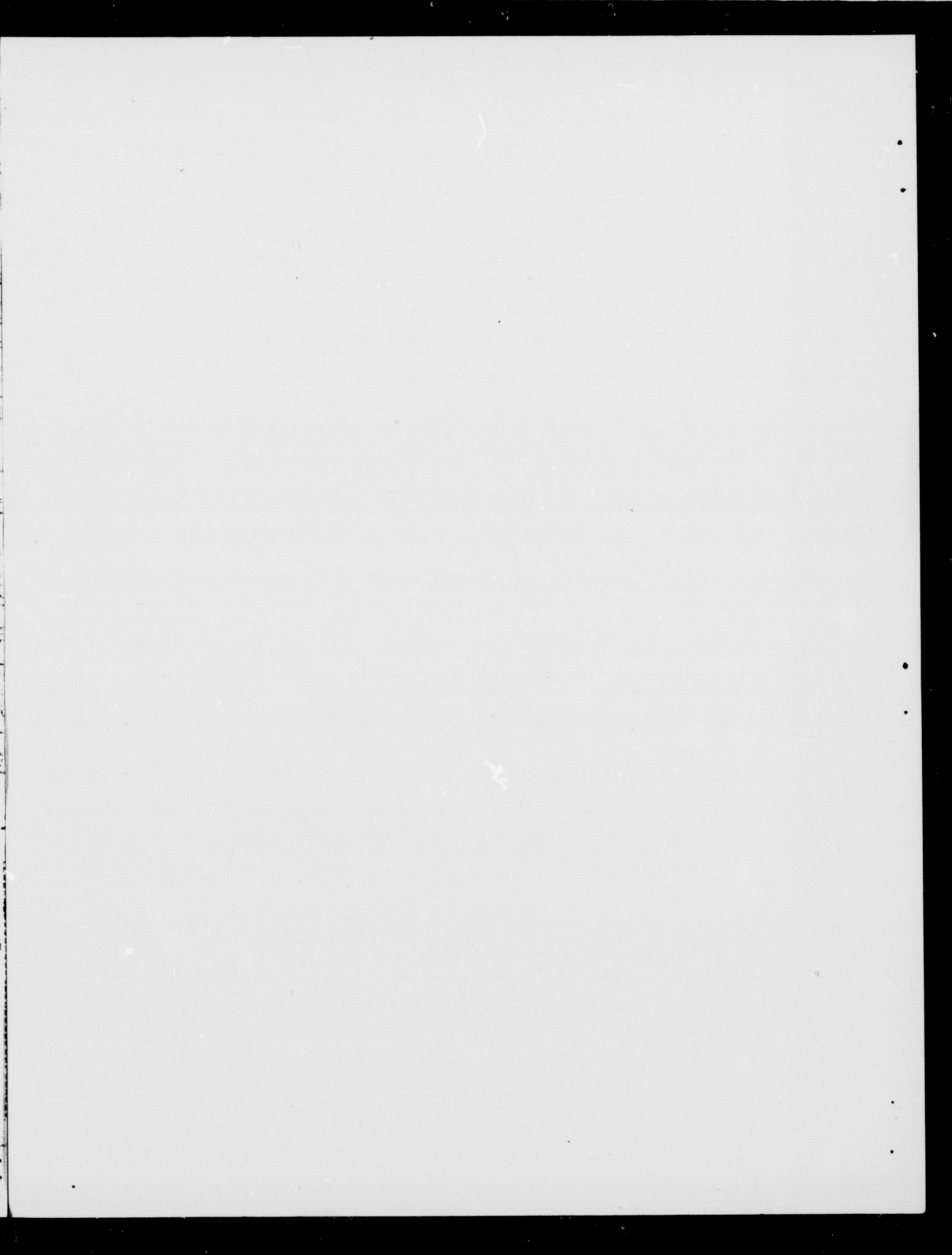
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UNITED STATES COURT OF APPEALS
FOR THE SECOND CIRCUIT

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CONTAINAIR SYSTEMS CORPORATION, :

Petitioner, :

- against - :

NATIONAL LABOR RELATIONS BOARD, :

Respondent. :

AFFIDAVIT

Docket Nos. 74-2098
and
74-2132

-----X

STATE OF NEW YORK)
: SS.:
COUNTY OF NEW YORK)

DONNA GIGLIO, being duly sworn, deposes and says,
that she is over the age of 18 years, that she resides at
64-33 Cooper Avenue, Glendale, New York, New York 11227, and
that she is not a party to the above-entitled proceeding.

That on the 20th day of December, 1974, she served
the annexed Petitioner's Brief, on the attorneys hereinafter
named by depositing two true copies to each contained in
securely sealed, post paid wrappers, properly addressed to
the said attorneys as follows:

PETER G. NASH
General Counsel
National Labor Relations Board
Washington, D. C. 20570

DAVID KRAMER, ESQ.
Friedlander, Gaines, Cohen,
Rosenthal & Rosenberg
Counsel for Local 295
1140 Avenue of the Americas
New York, New York 10036

in the letter box regularly maintained and exclusively
controlled by the United States Government at No. 350 Park
Avenue, Borough of Manhattan, New York, New York 10022.

Anna Heger

Sworn to before me this
20th day of *December*, 1974.

Joseph Warren

JOSEPH WARREN
Notary Public, State of New York
No. 01-6532130
Qualified in New York County
Commission Expires March 30, 1976